



## विश्व संस्था निर्माण कार्यक्रम **WORLD INSTITUTION BUILDING PROGRAMME**

A 14-15-16, Paryavaran Complex, South of Saket, New Delhi - 110030  
Email : [wibp@ecology.edu](mailto:wibp@ecology.edu) Website : [www.open.ind.in](http://www.open.ind.in)

### **PHILOSOPHY AND ORIGINS**

The World Institution Building Programme (WIBP) is an International Charity duly registered as a Public Charitable Trust with the Government of the National Capital Territory of Delhi and this non-profit making organization (WIBP) has been exempted from paying Income Tax as notified by the Department of Income Tax, Ministry of Finance, Government of India under the provisions of Section 12(A) of the Income Tax Act 1961. The donations given to WIBP by the donors is also exempted from Income Tax under the provisions of Section 80G of the Income Tax Act 1961.



**1974: The Hon'ble Chairman of the Union Public Service Commission (UPSC) Dr. Akhlaqur Rahman Kidwai inaugurating the first World Environment Day (WED) Celebrations as announced by the United Nations (Two years after the United Nations Conference on Environment on 5<sup>th</sup> June 1972 at Stockholm). The Hon'ble UPSC Chairman appreciated the proposal of Dr. Priya Ranjan Trivedi for the establishment of the Indian Institute of Ecology and Environment and also advised him to get in touch with the PMO to remind her commitment to the United Nations in 1972 to create an Indian Ministry of Environment.**

WIBP was inaugurated on the auspicious occasion of the first World Environment Day celebrations on 5<sup>th</sup> June 1974 although the decision to observe the World Environment Day was taken by the United Nations during the United Nations Conference on Human Environment on 5<sup>th</sup> June 1972 at Stockholm where a decision was also made for giving birth to United Nations Environment Programme headquartered in Nairobi, Kenya. However, it took two years to decide about the functions and purposes for having the World Environment Day Celebrations and accordingly this day is celebrated every year from 5<sup>th</sup> June 1974 onwards.



**1977 : Hon'ble Shri George Fernandes, Union Minister for Industries, Government of India inaugurating a National Convention on the topic "Does India Need a Ministry of Environment and Does India also needs an Indian Institute of Ecology and Environment ?" and finally authorising Dr. Priya Ranjan Trivedi as the Convener for implementing the resolutions and recommendations. The Hon'ble Union Minister Shri George Fernandes and Dr. Priya Ranjan Trivedi are seen making a joint statement in this photograph.**

The World Institution Building Programme (WIBP) has so far established and funded the following Institutions and Universities :

**1974 :** Co-sponsored the birth and the establishment of India Chapter of the International Association of Educators for World Peace (IAEWP), an NGO Affiliate of United Nations (ECOSOC, DPI, UNESCO, UNICEF). The IAEWP was established in 1969 by world renowned peace educators Charles Mercieca at Huntsville, Alabama when he was a Professor at the Alabama A&M University, USA.

**1979 :** The WIBP established and funded the Indian Institute of Business Management (IIBM) at Patna, Bihar, India for teaching research, consultancy, publications and conference organization in the areas of management, business administration, computer sciences, hotel and hospitality management, catering technology and applied nutrition. This Institution is fully recognized and accredited by the Government of India, Ministry of Education under the provisions of the regulations of All India Council for Technical Education (AICTE).



**1980 :** The Hon'ble Prime Minister of India Smt. Indira Gandhi inaugurating the Indian Institute of Ecology and Environment (IIEE) on the occasion of the World Environment Day (WED), 5<sup>th</sup> June 1980. The Chairman IIEE Dr. P R Trivedi is seen welcoming her in the other photograph.

This Institution has produced more than 25,000 Bachelor's and Master's Degree holders belonging to India and the rest of the world.

**1980** : The WIBP established and funded the Indian Institute of Ecology and Environment (IIEE) at New Delhi (India) with a view to conducting Graduate, Post Graduate and Doctoral level programmes in the specialized areas of Ecology, Environment, Pollution Monitoring and Control, Natural Resources Conservation, Environmental Impact Assessment, Disaster Management and Sustainable Development.



**1982** : The Union Minister of State for Home and Parliamentary Affairs Hon'ble Shri Pendekanti Venkatasubbaiah inaugurating Dr. Zakir Husain Institute for Non-Formal and Continuing Education (ZH-INFACE), Patna, Bihar.

During the past 41 years, IIEE has produced more than, 1,00,000 trained students who are working in different Government Ministries besides public/private sector industrial undertakings.

**1982** : The WIBP established and funded Dr. Zakir Husain Institute for Non-Formal and Continuing Education (ZH-INFACE) at Patna, Bihar (India) for launching formal, informal and non-formal training and research programmes in the areas of Mass Communication, Media Management, Newspaper Management, Broadcast Journalism, News Agency Journalism, Rural and Urban Entrepreneurship, Youth Development and Skill Development related programmes for the young boys and girls from all over the world. These days the number

of programmes being conducted at ZH-INFACE has increased exponentially.

**1985** : The WIBP established and funded the National Institute of Computers Education (NICE) at New Delhi for conducting Certificate, Diploma, Post Diploma and Post Graduate Diploma in different subjects like Computer Sciences, Computer Applications, Computer Programming, Computer Maintenance, Computer Applications etc. for the Students and the Teachers from the Secondary Schools besides Colleges and Universities.



**1985** : The Hon'ble Union Minister for External Affairs, Government of India Shri Baliram Bhagat inaugurating the National Institute of Computer Education (NICE) on 5<sup>th</sup> June 1985. Also seen in the photographs are Dr. Priya Ranjan Trivedi, Chairman, IIEE and Dr. J. M. Dewan, Additional Director, NICE.

**1988** : The WIBP established and funded the Centre for Development of Systems (C-DOS) at New Delhi with a view to diagnosing weaknesses in different developmental systems related to Water, Environment, Education, Children, Women, Banking, Employment, Coastal Areas, Waste Management etc.

**1992** : The WIBP established and funded Dr. PRT Institute of Postgraduate Environmental Education and Research (PRT-I-PEER) at New Delhi at the behest of the Professors, Registrars, Pro-Vice

Chancellors, and Vice Chancellors who had undergone training on environmental education and research who strongly advocated for establishing this Institution fully dedicated to applied environment research.

**1995 :** The WIBP established and funded Lama Gangchen International Foundation for promoting Peace Education, Disarmament Studies, Global Peace and Securities, Criminology and Forensic Sciences under the aegis of their official organ “Indian Institute of Peace Studies and Research”, World Institute of Spirituality and Buddha Institute of Technology.

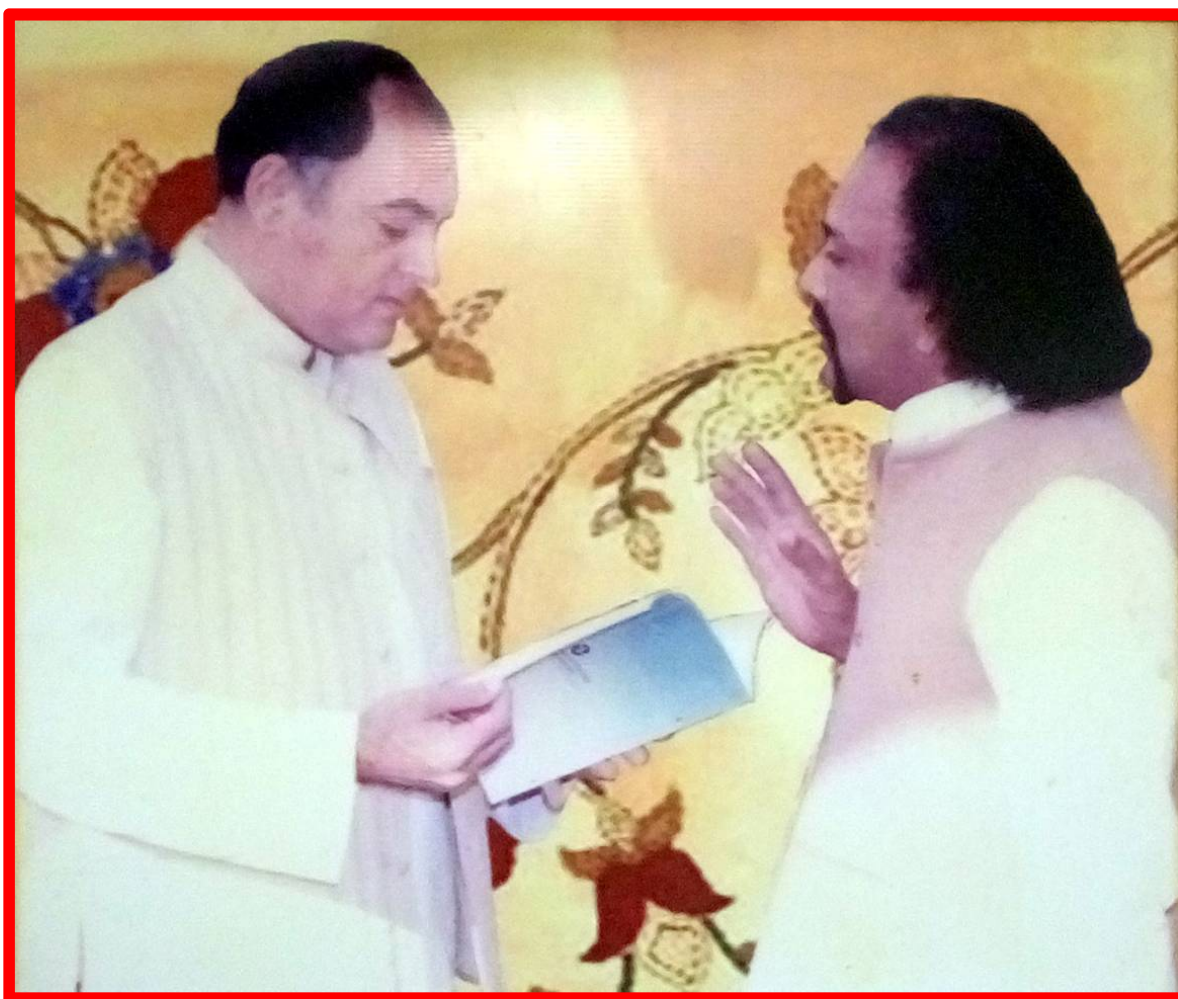


**1987 :** The Hon'ble Union Minister for Environment and Forests, Government of India Shri Ziaur Rahman Ansari launching the two years Post Graduate Programmes in Ecology and Environment conducted by the Indian Institute of Ecology and Environment (IIEE) for the first time in the country under regular, full time, part time and distance education mode. The Chairman, IIEE Dr. Priya Ranjan Trivedi is seen assisting the Hon'ble Union Minister in this photograph.

**1996 :** The WIBP established and funded the creation of the “World Spiritual Parliament with a view to bringing the spiritual leaders from all over the world under one platform and to also advocate before

the United Nations for having “United Nations Spiritual Forum for World Peace”.

**1999** : The WIBP established and funded the Indian Institute of Human Rights (IIHR) the first Institution on Human Rights in the world with a strong message from the then Secretary General of United Nations Mr. Kofi Annan.



**1988** : The Prime Minister Hon'ble Shri Rajiv Gandhi releasing the “ENVIRO 1988 Vision Document” compiled by Dr. P.R. Trivedi, Chairman, Indian Institute of Ecology and Environment (IIEE), New Delhi.

**2002** : The WIBP established and funded the “Publications Agency for Generating Employment (PAGE)” for bringing out Encyclopedias, Reference Books and Occasional Monographs on Environment, Disaster Management, Sustainability Habitat and Population Studies, Global Warming Reduction, Glaciology, Health Care and Hospital Management, Behavioural Sciences, Human Rights, Intellectual Property Rights etc.

**2002** : The WIBP established and funded the Quality Institute of India (QII) and successfully launched formal and non-formal training programmes from Certificate, Diploma and Post Graduate Diploma levels to the Master of Science Degree in Total Quality Management.

**2004** : The WIBP established, sponsored and funded the establishment of the Confederation of Indian Universities (CIU) as an umbrella organization for all the Government / Public / Private Sector Universities accredited by the Government of India.



**1991** : The Prime Minister of India Hon'ble Shri Chandra Shekhar with Dr. U K Singh, Director, IIEE during the Youth Summit held at Vishwa Yuvak Kendra, Delhi.

**2006** : The WIBP established and funded The Global Open University Nagaland (TGOUN) as a Public-Private Partnership (PPP) joint venture with the Government of Nagaland (India) through the State Legislature (Act 2 of 2006) for running more than 350 Bachelor's, Master's and Doctoral courses on almost all the developmental subjects.

**2008** : The WIBP established and funded the National Community College for Skilled Development (NCCSD) and gifted to 100 Skill



Development related courses for generating employment in India as well as in other developing countries.

**2010 :** The WIBP established and funded the “Clean-Up The Earth (CUTE)” for associating with the Central/Federal, State Governments, Public Corporations Municipal Bodies and Philanthropic Organization for strengthening the cause of the cleanup movement for having clean cities, clean villages, clean rivers, clean mountains, clean oceans, clean offices, clean roads, clean parks, clean temples, clean churches, clean mosques and other religious places of worship for giving a new dimension to the cleanliness movement.



**1991 : The Prime Minister of India Hon'ble Shri P V Narasimha Rao inaugurating the Indian Institute of Disaster Management (IIDM), New Delhi in the presence of the Chairman Dr. Priya Ranjan Trivedi.**

**2012** : The WIBP established and funded the “Indira Gandhi Technological and Medical Sciences University (IGTAMSU)”, Arunachal Pradesh in association with the State Government of Arunachal Pradesh (India) by getting an Act (Act 6 of 2012) passed by the State Parliament of Arunachal Pradesh for conducting Technological and Medical Sciences courses at the Bachelor’s, Master’s and Doctoral levels.

**2014** : The WIBP established and funded in the creation of the National Institute of Cleanliness Education and Research (NICER) for translating the vision of the present Prime Minister of India into action by strengthening the Clean India Movement.



**1996**: The President of India Hon’ble Dr. Shankar Dayal Sharma with Dr. Priya Ranjan Trivedi at Rashtrapati Bhawan after receiving the first copy of the Encyclopaedia of Ecology and Environment brought out jointly by WIBP and IIEE New Delhi.

**2016** : The WIBP established and funded the creation of “Inter-University Research Centre (IURC)” for organizing discussions on contemporary issues like Intolerance, Poverty, Unemployment, Insurgency, Terrorism, Trafficking, Global Warming etc. with a view to having a public opinion and to conduct applied researches on these burning issues.

The World Institution Building Programme (WIBP) observes its 47<sup>th</sup> anniversary on 5<sup>th</sup> June 2021 and announced the 450-point programmes, principles and practices of institution building and development.

In this connection the Founder President of WIBP, Dr. Priyaranjan Trivedi has brought below the 450 principles and practices of Institution Building based on his experience of more than 46 years of dedicated service towards promoting Institutions all over the world for tackling all the burning problems like global warming, sea level rise, polar icecap melting, ozone depletion, environmental disasters, unemployment among men and women, insurgency, peacelessness, pollution and population explosion.



**1996 : Ther Prime Minister of India Hon'ble Shri H D Deve Gowda receiving the Book "Healing the Subcontinent" from Dr. Priya Ranjan Trivedi, President, WIBP after discussing different contemporary issues faced by our country.**

## **INTRODUCTION**

1. The purpose of institution building is to introduce, foster, and guide more efficient social changes and new patterns of individual and group relations in government agencies philanthropic organisations, academic institutions and in

industry. Institution builders generally face two tasks: to simultaneously build a viable organization and to manage the linkages with other organizations on which the institution must depend for resources and support.

2. The main goal in achieving developmental targets is the accomplishment of institutionality, measured by steady growth of organizational capability, penetration of the relevant environment (producing and protecting desired changes, philosophies, systems, and behaviour in governmental and national organizations), by maintaining their innovative thrust.



**1997 : The Prime Minister of India Shri Inder Kumar Gujral receiving the Books  
“Eco-Philosophy and Eco-Dharma” and “Whither India ? Whither Mankind ?”  
from Dr. Priya Ranjan Trivedi, President, WIBP.**

3. Institution builders are responsible for making things happen and not merely for responding to pressures. To avoid this tendency to respond to pressure, the institution builders must choose deliberate strategies of action and tactics and to implement them as they learn from experience. But institution builders must be prepared to revise their strategies and even their goals in order to cope with unexpected problems or to take advantage of fresh opportunities.

4. Institution building is the possible consequence or effect of deliberate action.
5. The word institution is sometimes used as a synonym for organization. This is acceptable, if we recognize that an institution includes more than formal structure and process. Institutions may be regarded as regulative principles which organize most of the activities of individuals in a system or society into some definite organizational patterns from the point of view of some of the perennial, basic problems of any society or ordered social life.



**1998 : The President of India Dr. K.R. Narayanan welcoming Dr. Priya Ranjan Trivedi, President, WIBP for discussing the future of institution building , planning and development in India.**

6. Before we discuss the art and science of Institution Building, let us know and elaborate the following terms:

## LEADERSHIP

- Leadership delivers resources.
- Leadership promotes the doctrine internally and externally.
- Leadership keeps the internal structure functioning.
- Leadership mobilizes the organization to accomplish the programme.
- Leadership establishes and cements linkages with external groups.
- Leadership is alert to opportunities to incorporate new groups for support, output, and acceptance.



Dr. Uttam Kumar Singh with the President of India  
His Excellency Dr. A.P.J. Abdul Kalam

**2002 : The President of India Hon'ble Dr. APJ Abdul Kalam receiving a Bouquet from Dr. Uttam Kumar Singh, Director General, WIBP after becoming the 11<sup>th</sup> President of India.**

## **DOCTRINE**

- Doctrine dramatizes the new idea as well as innovation and change.
- Doctrine helps to sell a programme and organization with it.
- Doctrine defines the goals.
- Doctrine can generate support.
- Doctrine helps define and limit internal and external conflict.
- Doctrine absorbs ideas and needs and combines them with new ones to make the organization acceptable in the society.

## **PROGRAMME**

- Programme provides impact in the environment.
- Programme provides visibility.
- Programme provides vital contact with the environment.
- Programme is the ultimate testing ground for output.
- Programme promotes support by the environment of the organization.
- Programme provides a specific focus for change-oriented activities.
- Programme provides an identity for clientele and staff and ultimately for the society.

## **RESOURCES**

- Resource mobilization involves using old and new sources.
- Resource mobilization involves a wide variety of elements, money, people, technology, etc.
- Resources hold the organization together until it can become accepted.
- Resources provide internal strength and cohesion in the organization.
- Resources contribute to autonomy

## **INTERNAL STRUCTURE**

- Internal structure is a key to converting resources to programme.
- Internal structure is a base for organization mobilization.
- Internal structure is a device for demonstrating innovative capacity.
- Internal structure is a means for reflecting goals and doctrine.
- Internal structure provides a means for resolving internal conflict.



**2002 : The Prime Minister of India Hon'ble Shri Atal Bihari Vajpayee greeting Dr. Priya Ranjan Trivedi, President, WIBP at his official residence (7 Race Course Road, New Delhi) during the release of PM's poems translated in Tamil.**

## **ENABLING LINKAGES**

- Enabling Linkages provide power to act.
- Enabling Linkages provide protection.
- Enabling Linkages provide initial resources.
- Enabling Linkages support a new public image.



## **NORMATIVE LINKAGES**

- Normative Linkages show what values must be observed.
- Normative Linkages define relationships with other organizations.
- Normative Linkages can help legitimized activities.
- Normative Linkages can provide support in making new ideas fit present values.
- Normative Linkages provide the framework for defining objectives in the national institutional structure.



**2004 : The Prime Minister of India Dr. Manmohan Singh greeting Dr. Priya Ranjan Trivedi, President, World Institution Building Programme (WIBP) at PM's residence.**

## **FUNCTIONAL LINKAGES**

- Functional Linkages provide inputs the organization needs to function.

- Functional Linkages promote the use of what the organization does.
- Functional Linkages help define programme boundaries.
- Functional Linkages reinforce the effect on organizational clientele.
- Functional Linkages provide opportunities for mutually beneficial support in the environment.

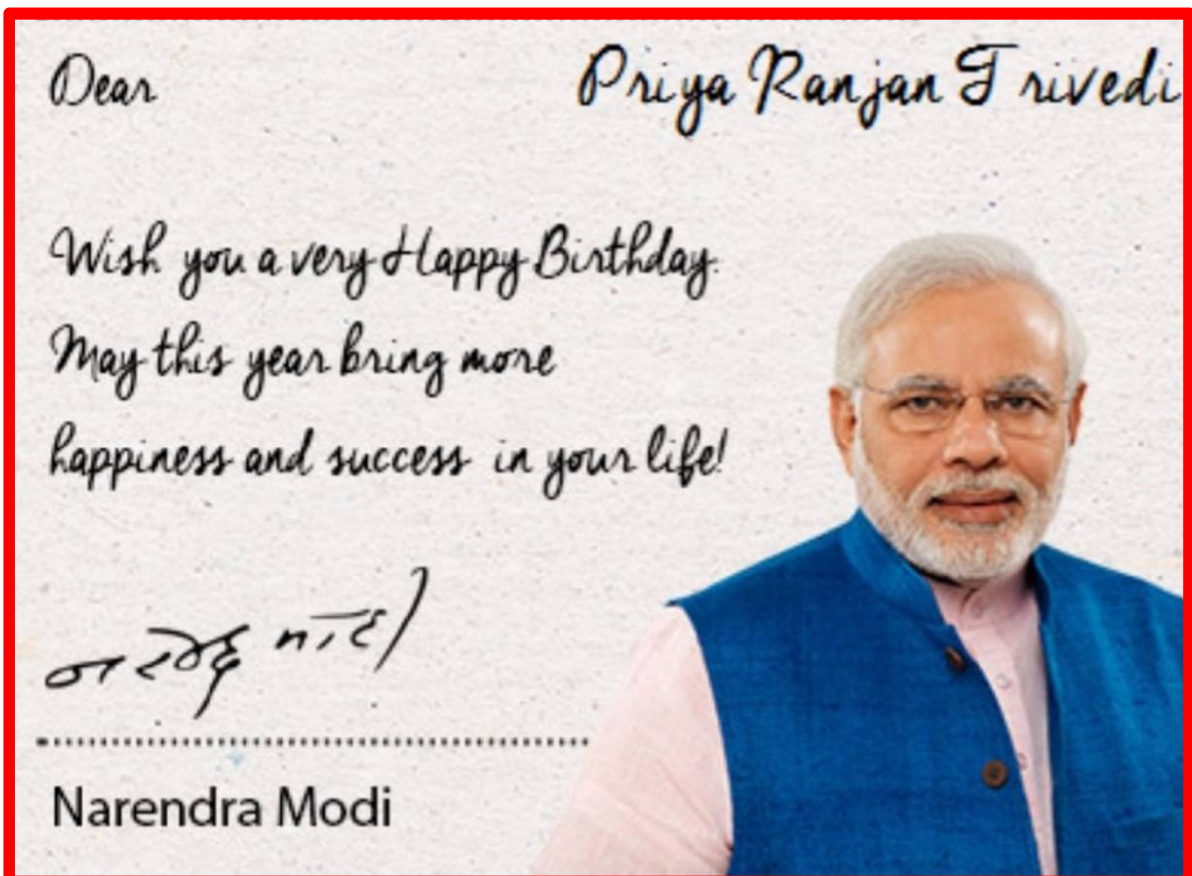


**2012 : The President Hon'ble Dr. Pranab Mukherjee being congratulated by Dr. Priya Ranjan Trivedi, President, WIBP at Rashtrapati Bhawan, New Delhi on his installation as the 13<sup>th</sup> President of India.**

## **DIFFUSE LINKAGES**

- Diffuse Linkages broaden the base of support.
- Diffuse Linkages strengthen the public image of the organization.
- Diffuse Linkages help reinforce acceptance by the society.

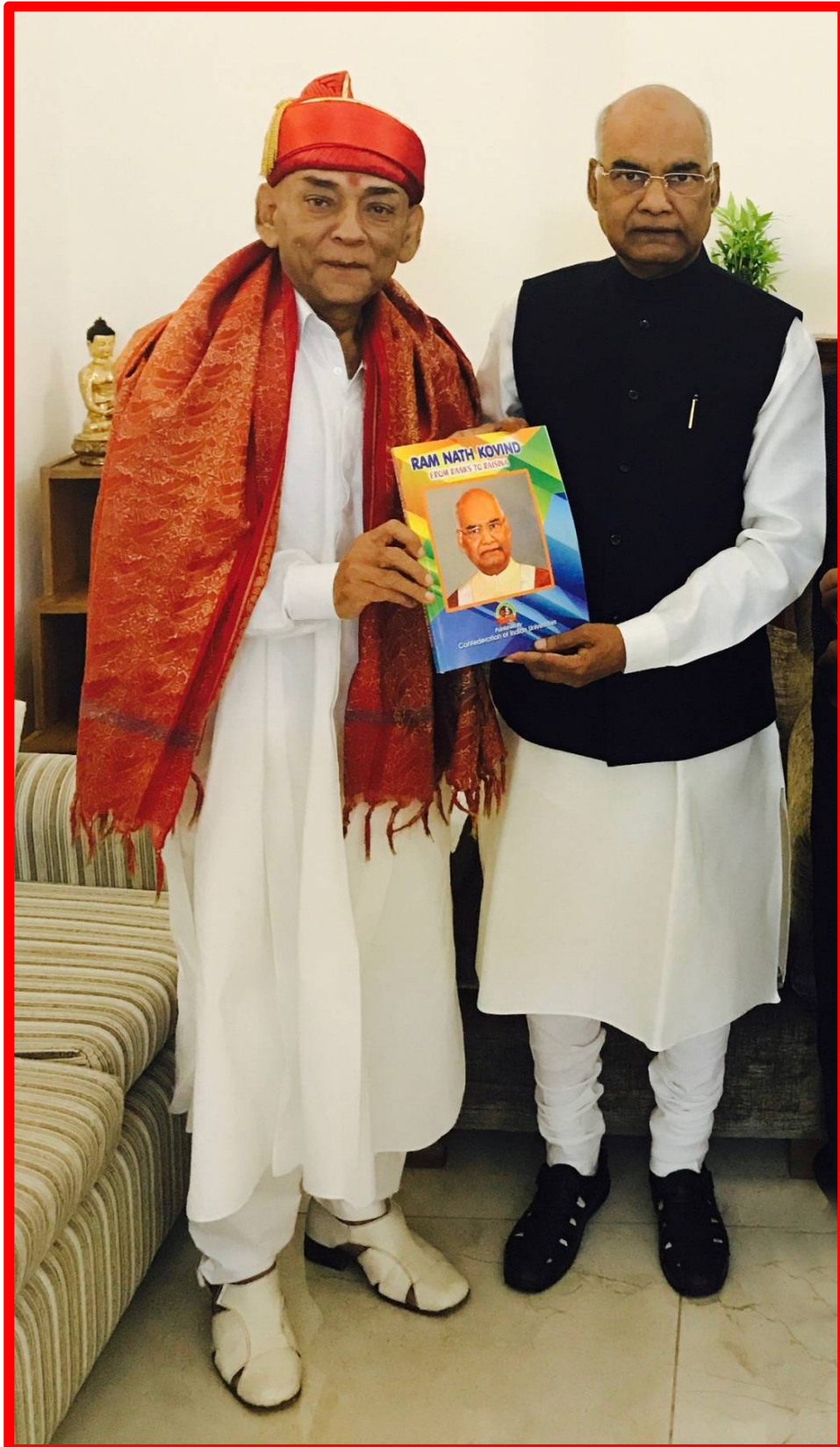
- Diffuse Linkages provide alliances with other change-oriented groups.
  - Diffuse Linkages promote an understanding in the society of the goals of the organization.
7. We have to agree generally with the different dimensions of the problem of institution-building: to build or change an institution to establish a stable set of desired behaviours in a particular place and time. To do this, it is necessary to get people to accept certain norms or standards and to pattern their behaviours to fit these norms which must be grounded in some underlying regulative principles. The hub of the task of building (or changing) institutions is to establish a combination of behaviours norms regulative principles which will serve developmental aims.



2014: The Hon'ble Prime Minister Shri Narendra Modi sent a very special 64<sup>th</sup> Birthday Message to Dr. Priya Ranjan Trivedi, President, World Institution Building Programme, New Delhi.

8. Institution-building is indirect because it involves changing or creating values as well as behaviour. It may involve undermining and replacing existing norms which may have

proved inimical, or a liability, to development and societal wellbeing. If institution-building is not simple to understand, it is often even harder to do.



**2017 : The President of India Hon'ble Shri Ram Nath Kovind releasing his Biography authored by Dr. P R Trivedi, President, WIBP.**

9. An institution's activities are justified and ordered by norms linked to basic principles of the social system. Norms have two values:
- They guide behaviour which is useful in the system because they are functional or practical.
  - They are also proper; they are justified because they reflect more basic values or principles.



**2018: The Vice President of India Hon'ble Shri Muppavarapu Venkaiah Naidu receiving the Bouquet from Dr. P R Trivedi, President, WIBP on his installation as the new Vice President of India.**

10. The strength of norms stems from two sources, practical workability and merit.
11. Leaders (who are change agents) in institution-building begin by identifying the need for improved conditions in a social system.

They then try to find a way to meet this need, by creating new conditions or outcomes in society, through effective patterns of action. In such efforts two related value problems are involved. One is to get the values produced by the intervention accepted within the system. The other is to design an intervention whose internal norms are acceptable as well as effective.



**1990: H.E. Mr. Miron P. Derkatch, Director, UNESCO with Dr. Priya Ranjan Trivedi, President, WIBP/IIIEE during the signing of MoU for exchange of relevant information on environmental science, environmental education and culture.**

12. Leaders often assume that :
  - the aims and effects they propose are good and will be valued within the social system; therefore
  - the means they propose will likewise be valued as instruments of a desirable end; and therefore
  - the rules or norms included in the means will tend to be accepted without serious resistance.
13. Hence the process of institutionalization is not a simple, linear function. There are interruptions, retreats, accommodations, regroupings, divisions, and emergence of secondary goals, amended objectives and even altered doctrines.

14. Be that as it may, an institution must embody changes in values, functions, physical and/or social technology; it should establish, foster and protect normative relationships and action patterns and it should attain support and complementarity in the environment. It should survive the vicissitudes of time and emerge as a vibrant innovative institution, capable of withstanding the stresses of turbulent periods, and as an instrument for accelerated development.



**1996 : Dr. Priya Ranjan Trivedi with Prof. S. Stepanov signing the Memorandum of Understanding between the World Institution Building Programme (WIBP) and International Independent University of Ecology and Politology, Moscow for mutual and technical cooperation in the areas of Environmental Education, Pollution Control etc.**

15. If institutional change is induced, the types of power that may be brought to bear on an objective can range from stark coercion to education that changes the awareness and value orientations of its clients. Some instruments of power include strong leadership, control of resources, positive and negative sanctions, promotion of such latent regulative principles as progress and prestige, and various incentives. When the objective is to change the institutional patterns of a target group, one important source of power is the ability to reduce the risk associated with changes in behaviour patterns.
16. Coercion can be used to eliminate an institutionalized interest, but not as the primary mechanism for creating a new one. Education may be used as an instrument of power, not only to

create technical efficacy but to change the sense of identity and the value orientations of participants. Trustworthy appeals to self-interest are powerful ways to induce the acceptance of new norms.



**1999 : Dr. Priya Ranjan Trivedi, President, WIBP with the Former Secretary General of United Nations Mr. Boutrus Boutrus Ghali and the Egyptian Ambassador to India during India-Egypt Technical Cooperation Meeting with academic support from the WIBP, New Delhi.**

17. When the scope of an action extends across the line between a bureaucracy and its environment, institutionalization can be quite difficult. For example, an agricultural development programme may combine efforts from a number of parts of the bureaucracy, in the ministries of agriculture and finance and elsewhere, to provide information, credit, and materials. This public sector activity must be mated with the behaviours of farmers, marketing organizations, and perhaps, local community leaders.
18. The bureaucratic aspect of the programme may require, along with careful planning, co-ordination and funds, some important changes in values. Bureaucrats, who may be accustomed to acting on the basis of authority and inclined to be ignorant of the problems and realities of the peasantry, will have to adopt new



norms, a desire to understand the farmers and a willingness to promote their well-being. None of this will make much difference unless the programme appeals to, perhaps even changes the norms and behaviours of, the target population and other important people such as farmers or merchants.



**2000 : Dr. Priya Ranjan Trivedi with the Ambassador of Norway lighting the lamp before announcing the cooperation for the exchange of information and appropriate technologies during the 2000 World Environment Day Celebrations organized by the WIBP / IIEE / IIDM, New Delhi.**

19. The family itself may be institutionalized around a farming tradition. Certain work may be proper for the men or for the women. The community structure may be arranged in terms of traditional rights and obligations, and the programme may threaten that tradition.
20. Public institutions can be differentiated into those forming the public bureaucracy and those others functioning under public sponsorship or support to achieve other economic and social goals. The public bureaucracy is a necessary institutional device required for progress and survival. The institutional role of governments is preponderant but not absolute. The bureaucratic institution exists not on the sufferance of governments but in partnership with governments. The situation varies, however,

from one country to another, and constitutes a national specificity of institutional modes peculiar to each country.

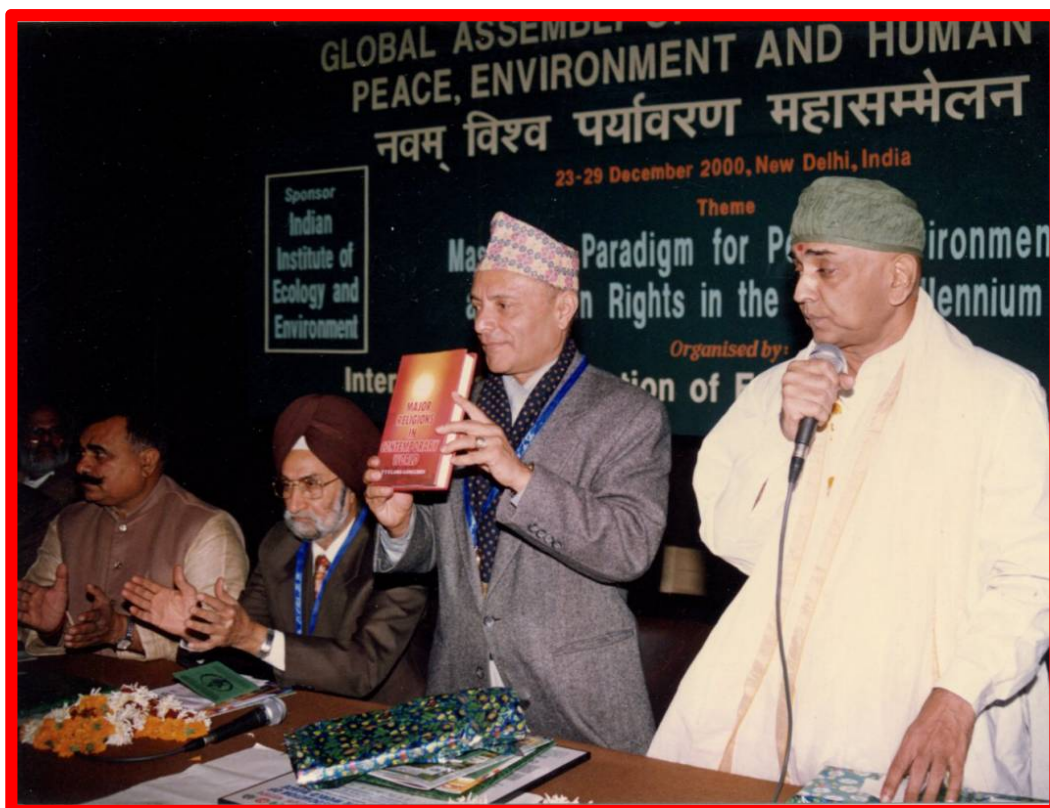


**2000 : Dr. Priya Ranjan Trivedi with the Ambassador of Kuwait releasing the Book “Crime Control in the Digital Age” after announcing the mutual and technical cooperation with WIBP during the 2000 World Environment Day Celebrations organized by the World Institution Building Programme (WIBP), New Delhi.**

21. Yet another dynamic aspect lies in the institutional task system itself. For example, in the field of rural development, at a particular stage of development, production and productivity may acquire primacy over other considerations. The institutions concerned can, in the process, acquire growth values as their key impetus. At another stage of development, distributive justice may come to be of crucial relevance. However, it is often the experience that the growth values do not transcend into developmental values. There arises in this context a dilemma: whether new institutions are to be created or whether situational imperatives are to be brought to bear upon older institutions to respond to the needs. It seems that there are no either-or options.
22. A leader must possess certain qualities in order to continually motivate an organization. It is continuity of effective leadership that affects staff performance and overall organizational effectiveness. It is the leader's responsibility to develop

incentives for the motivation of staff personnel. The word incentive here refers to the full set of factors that shape human behaviour within organizations, including norms, standards, and motivational and material rewards.

23. A major part of the problem of Institution Building is that the internalization of new value systems and the establishment of technological norms and standards of performance take time. This length of time affects the willingness of politicians to initiate or support a reform scheme. Strong and persistent political support is necessary if institutionalization is to be successful. Organizational inertia is also an important incentive factor that relates to time.



2000 : Dr. Priya Ranjan Trivedi with H.E. Dr. Bhek Bahadur Thapa while releasing our publication “Major Religions in the Contemporary World” after announcing the Cooperation Memorandum with WIBP during the World Congress on Peace, Environment and Human Rights jointly organized by WIBP, IIEE and IIHR at India International Centre, New Delhi.

24. Any organization, once established, resists change. A new institution requires time to become stable. Yet administrative reforms institutions are expected to be both change-inducing and viable. This often creates a conflict and may preclude the prospect of long-standing developmental institutions.

25. Support for an organization may be divided into two categories, namely: the kind of support which essentially accords recognition of an organization and acceptance of its right to exist; and the kind which might be labelled material and which consists of a flow of resources which the organization uses to carry on its existence.
26. For purposes of institution-building, this distinction between acceptance and material support is particularly useful in thinking about the long-term existence and effectiveness of an administrative reform agency or a public administration institute. Legitimation as a basis for securing support is essentially a rational-legal approach to the issue, and may consist simply of the statutory enactment by the legislative authority.



**2001 : Dr. Priya Ranjan Trivedi, President, World Institution Building Programme (WIBP) during his felicitation and civic reception function hosted by Dr. Young Seek Choue, President, Kyung Hee University, Seoul, South Korea. He was presented with a Memento of 24 caret pure gold in the presence of more than 3500 persons sitting in their Auditorium.**

27. There is, simultaneously, an emotive aspect to the support base. With special historical heritage, cultural uniqueness, and other social ties and ramifications in the developing countries, the support base for institution-building will involve, equally forcefully, the emotional components.

28. There are two problems with attempting to obtain initial legitimation or foundational support. One problem is determining how much to promise, i.e., how much to represent in the way of the future results, in order to gain the necessary initial support.



**2001 : Dr. Priya Ranjan Trivedi with Ms. Vera Machado, Ambassador of the Republic of Brazil after her announcement regarding mutual cooperation with WIBP during her felicitation on the occasion of the World Human Rights Congress organized by WIBP, IIEE and IIHR.**

29. The other problem is the status and behaviour of a leader seeking to establish or reform an existing institution. This status and behaviour may differ strikingly from later requirements for the sort of leadership that can influence the flow of material support.
30. Management is a two-phased activity. One phase is directed internally, to shape, guide, direct and assess the inside workings of an organization. The other phase of management is concerned with maximizing the relations between the organization and its environment. This is sometimes referred to as working at the institutional level of the organization.

31. The essential task of institutional management is to influence, as much as possible, the interaction of the organization and its environment, to promote both the survival and the effectiveness of that agency. This task requires, first of all, the ability to perceive and interpret the environment. The absence of this competence is like flying blind, without map or instruments. In the real world of action, however, knowledge alone does not suffice.



**2001 : Dr. Priya Ranjan Trivedi with Ambassador of Morocco, Mr. Mohamed Louafa announcing pollution control guidance to be sought from WIBP during the 10<sup>th</sup> World Environment Congress organized by the World Institution Building Programme (WIBP), New Delhi in association with WIBP.**

32. Institutional management includes the ability to act, taking a pro-active stance with respect to environmental elements. Or, it may be more a matter of making internal adjustments to inexorable external realities.
33. Although a number of developing countries have made substantial progress in increasing their supply of competent managers by establishing a variety of management development

institutions, some of these institutions have failed to play decisive roles in the over-all national development process. In view of the importance of management in national development, all institutions concerned with management development should be made to play a strategic role in the national development scene.

34. In particular, instead of isolating themselves from the public systems that they seek to influence, they should actively promote a view of public management to be shared effectively by the political leadership, development planners and public managers.

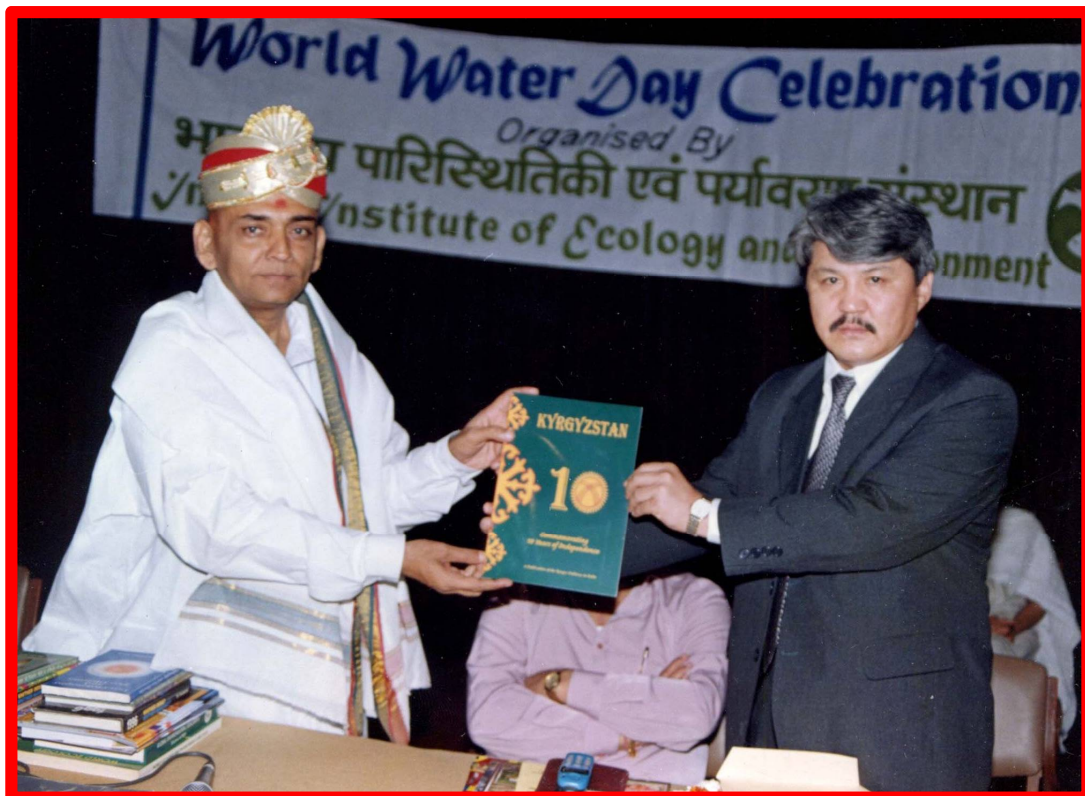


**2001 : Dr. Priya Ranjan Trivedi with the President of Mongolia during his trip to Ulaanbaatar for discussing with the policymakers for the establishment of universities and centres of excellence in Mongolian collaboration with the Indian Institute of Ecology and Environment (IIEE) and the World Institution Building Programme (WIBP).**

35. Management development comprises more than the mere organization of training courses. It involves intensive and extensive acculturation of managers so that they may better serve the needs of the common man. There is need to improve

access to public services by all members of the society, particularly the weak and the deprived.

36. The time has thus come for management development institutions to reflect on their accomplishments and environments, with a view to defining more realistic roles and policies which will enhance their impact on strategic problem areas of public management, and to influencing their environment rather than being dominated by it.
37. In order to reduce intellectual dependence on exogenous management theories and enhance their own credibility, management development institutions must develop, through meaningful research, a management philosophy, models and approaches which reflect their cultural environments and needs.



**2002 : Dr. Priya Ranjan Trivedi, President, WIBP receiving a copy of the Vision Document of Kyrgyzstan from the Ambassador of Kyrgyzstan after his announcement regarding the technical cooperation with WIBP during the World Water Day celebrations at India International Centre, New Delhi under the aegis of the WIBP, New Delhi.**

38. Correspondingly, national policies and objectives should be defined by the national leadership in such a way as to ensure



that the management development institutions contributions reflect the assessed realities and priorities.

39. Management development institutions should promote collaboration and communication at the national, regional and global levels. For this purpose, networks of institutions should be established at those levels for exchange of information and experiences. At the national level, there should be greater debate and discussion of major management trends and development involving the participation of all sectors of the society.



**2005 : Dr. Priya Ranjan Trivedi, President, WIBP presenting a Memento to the President of Mauritius H.E. Mr. Anerood Jugnauth in the President House at Port Louis during the invitation extended for establishing a tertiary level institution in Mauritius for launching distance, open and virtual education programmes with funding from WIBP.**

40. Developing countries as well as the regional and international organizations concerned with management development should

pay greater attention to the task of institution-building and devote larger resources to management development institutions, co-ordinate their efforts and periodically evaluate the impacts of their outputs.



**2006 : Dr. Priya Ranjan Trivedi, President, WIBP with the Ambassadors from different countries at his residence for felicitating them to mark their outstanding contribution in the areas of green diplomacy and international relations.**

41. It is the duty of the Institution Builders as well as the regulatory, promotional, planning and other statutory bodies to ensure an evaluation process on a continuing basis for analysing the following :
- To identify the institutional performance variables.
  - To chart the changes in the institutional performance over a period of time.
  - To identify various processes which influence institutional performance.
  - To discover whether the performance changes follow some pattern which could be characterized as phases of institutional development.

- To show how the processes are related to institutional development.



**2009 : Dr. Priya Ranjan Trivedi, President, WIBP and the President of Nepal Hon'ble Dr. Ram Baran Yadav discussing India-Nepal Education Exchange Programme at President's House, Kathmandu, Nepal.**

42. Thus, the problem definition led to a sharper focus on performance as a key to institutionalization and processor as important influences on institutional performance. From preliminary analysis, four categories of processes emerged as important in the life of an institution.

These are:

- Birth processes
- Development processes
- Renewal processes
- Institutionalization processes.

43. The following are most important in the Indian context :
- Birth processes
  - Idea origination and nurturance
  - Choice of institutional form
  - Location of the institution
  - Choice of model
  - Choice of early leadership
  - Resource mobilization
  - Support mobilization
  - Development processes
  - Initial recruitment
  - Enculturation
  - Decision making
  - Structure
  - Leadership style
  - Boundary management
  - Renewal processes
  - Change in leadership
  - Regeneration
  - Exit
  - Voice
  - Redefinition of mission
  - Integration
  - Institutionalization processes
  - Research
  - Dialogue
  - Dissemination
  - Transfer

44. Analysis of these elements has led to postulate five concepts to develop a general processual model of institution building. These concepts are
- context
  - capability development
  - innovative thrust
  - penetration, and
  - process mechanisms.
45. We, then, have a revised model which has rectified the confusion between inputs and outputs. Thus, the context influences capability development mediated by process mechanisms of first set of; capability development, in turn, influences innovative thrust of the institution through a second set of process mechanisms; and innovative thrust, in turn, influences penetration through a third set of process mechanisms.



**2018 : Dr. Priya Ranjan Trivedi, President, WIBP with the President of Seychelles, H.E. Mr. Danny Faure during his visit to India. He also released the Book on “Seychelles : Past, Present and Future” by Dr. Priya Ranjan Trivedi besides seeking support from WIBP.**

46. It should be noted here that the capability development process mechanisms are primarily externally or contextually oriented; the innovative thrust process mechanisms are basically internally oriented; and the penetration mechanisms are externally oriented. Thus, we have contextual process mechanisms, internally oriented process mechanisms, and externally oriented process mechanisms. By isolating and identifying process mechanisms in the three sets and also postulating directions of influence the revised model has made possible the development of the institution building model into a more practical model.
47. The revised model can answer questions about what the institution builder can do in order to develop the institution. The revised model provides both a diagnostic frame and an action frame. Institutional leaders need to know the current state of institutional development and probable future states to result from actions that they initiate.
48. They also need guidance as to what action options are available to them. The revised model is a step in this direction and in this sense is neither complete nor comprehensive. Using the revised model, the institution builder can generate valid data from context, level of capability development in the institution, level of innovative thrust, and extent of penetration. He will also be able to compare these levels with similar institutions operating in the same context. Moreover, he will be able to generate valid data on the relative strengths of various process mechanisms which mediate capability development, innovative thrust, and penetration.
49. Thus, knowing the state of the system and knowing the action options available to him with respect to strengthening, neutralizing, or reducing the weakness of appropriate process mechanisms, an institution builder is placed in a better position to act. This is not to imply that an institution builder can consciously engineer all the outcomes. Quite the contrary. The model points out that institutional leadership is precarious and uncertain.

50. The contextual process mechanisms highlight the dependence of the institutional leadership on factors outside conscious control. The model only serves to sharply focus the attention of institution builders on identifiable sources of problems. Further, the internally oriented process mechanisms and the externally oriented process mechanisms which mediate institutionalization sequentially underscore the difficulties of conscious manipulation. It is no wonder that the easiest course of action for institutional leadership is to let the institution drift. Worse still, given the uncertainties of performance on innovative thrust and more so on penetration, the institutional leadership may focus wrongly on capability development.
51. Capability development is important, but represents basically performance on input development. Innovative thrust and penetration concern themselves with input utilization and conversion. Institutionalization, in the final analysis, can take place and social change can occur only if penetration takes place. Given a context where the clientele are not demanding, it is easier to stop at capability development and innovative thrust.
52. This is also evident from the relatively low attention paid to institutionalization mechanisms in the six institutions. This has resulted in a situation of penetration by default rather than by design. The impression one is left with is that management education institutions cannot be considered to be change agents in the sense of bringing about radically different values on their own. They react more than initiate.
53. Let us discuss the major features of both the "evolutionary" and the "engineering" models. We will examine an engineering model of institution building its assumptions, scope, and limitations. This will lead us to a consideration of four major perspectives of institution building which are important to its elaboration and refinement.
54. These perspectives are:
  - the leadership / elite / entrepreneurial perspective;
  - the interorganization perspective;
  - the organizational design perspective; and

- the diffusion of innovation perspective.
  - Finally, an attempt at synthesis will be made through a general processual model of institution building based on empirical guidelines.
55. The "engineering model" differs from "evolutionary model" in a fundamental way.
  56. It is the rejection of the "natural selection" process and the acceptance of an "elitist" engineered adaptation or innovation that differentiates the "engineering" model of institution building from the "evolutionary" model.
  57. Explicit attention will have to be given to alternative designs as well as to an examination of the conditions under which various designs would bring about the desired results. That there are serious limitations to planned change should not deter development along this dimension. Such developments should also examine the three possibilities available to an institution builder and the consequence of adoption of one strategy in preference to another. These possible design options are:
    - alteration of an existing institution,
    - creation of a new institution with a specialized function hitherto not carried out in the society, and
    - creation of new institutions to integrate existing specialized and fragmented institutions or functions.
  58. Unless the Institution Building model develops along this line it will not be in a position to provide guidance to the institution builder in the choice of an appropriate design not only initially but also continuously over time as the institution develops.
  59. What must be remembered is that in institution building the concern is with the spread of values and norms and their acceptance by the society. Further, the innovation in the institution building model is the institution itself and the concern is with the adoption of the institution by the society.
  60. Imminent change which occurs when people internal to the society primarily on their own create and develop the innovation.



61. Induced imminent change in that the innovation could be catalysed by someone who is a temporary member of the society, though the primary burden of the creation rests with the members of the society.
62. Selective contact change when members of one system adopt an innovation primarily as a result of their exposure to the innovation outside their own system or society.
63. Directed contact change caused by actors external to the system who seek to induce change for achievement of goals defined by them.
64. The Institution Building model, as is apparent, is concerned only with directed contact change. Viewed from an innovation perspective, the model has to develop capabilities of handling the other three types of changes and, therefore, for choosing appropriate models of diffusion.
65. In the institutional context the collectivities would serve three ends, namely:
  - to promote areas of common interest;
  - to jointly obtain and allocate a greater amount of resources than would be possible when each institution acts independently; and
  - to protect areas of common interest. In the context of the collectivity one can examine the linkage relationship between organizations. In fact, out of the four linkages in the institution building model, this would mean a detailed examination of one poorly understood linkage the normative linkage.
66. Successful institutionalization of new or replacement social patterns requires coordinated and complementary efforts to build support for the new action pattern in four aspects of social systems:
  - universalistic-formal,
  - universalistic-informal,
  - particularistic-formal, and
  - particularistic-informal
67. In implementing programmes of institution building the serial order of developmental tasks proceeds from

- the establishment of minimum levels of legitimacy, to
  - the achievement of operational competence to produce expected benefits, to
  - the cultivation of active and continuous exchanges with the environment, to
  - the development of adaptive capacity.
68. Successful Institution Building projects require a variety of staff resources including specialists of at least the following three kinds:
- those with skills in political liaison and in achieving normative representation
  - those with technical-analytic expertise on the content of the institutional change sought, on the Institution Building process, and on other relevant knowledge areas and analytic methods, and
  - administrative and programme operations personnel who are competent in the application of the technologies selected, in project management, and in eliciting cooperation from those they encounter in operational situations. When any of these resource groups are not adequately represented or differentiated by unique competence and task orientations, the probability of the success of an institution building project will be significantly reduced
69. Success in Institution Building requires that the innovation-carrying organization differentiates for itself a position in the organizational network which facilitates active exchange by defining its unique and limited functions and identifying the net gains to the system which accrue from its activities and from its interactions with other actors.
70. Action orientations which comprehend both
- the development and promulgation of explicit substantive positions, (relating to the content of change), and
  - the creation of new sociopolitical processes to broaden involvement or to enhance the quality or acceptability of decisions are more likely to lead to successful institutionalization of proposed innovations than approaches

which emphasize either content or process without significant attention to the other.

71. Successful Institution Building projects will provide for complementary adjustments at each level of Federalistic hierarchies related to the area of activity in which the changed action patterns are designed to occur.
72. Organizational learning requires the same capabilities as good planning, the capacity of a corporate group to act intelligently vis-a-vis group goals and activities. We can identify the properties that make learning possible by identifying what an individual needs in order to respond to changing circumstances:
  - a grasp of objectives
  - control over the resources being planned for
  - reliable models of external reality
  - information about past experience
  - sufficient interest to get the necessary planning done
  - familiarity with methods for making projections
  - open communication with all the parties involved
  - ability to get the principal doer committed to the plan
  - enough stability in the situation so that past experience is relevant
73. In response to the need to develop some measure of institutionalization, the author has developed seven general requirements for an adequate measuring tool:
  - Institutions need to be studied as societal organisms, with life spans covering stages in some ways analogous to the human life span, and with longer cycles analogous to the generational cycle. This means that a temporal dimension lacking in the early institution building model had to be incorporated into the conceptual scheme.
  - Valuedness as a core variable needs to be measured both internally and externally by means of inferential, observable indicators rather than by attempts at opinion sampling.
  - Autonomy, as the single most important indicator of institutionalization, must be measured as a function of the

organization's legal or legitimacy status, its programme activities, and its resource use rather than attempting to evaluate it as a separable quality.

- Leadership should be dealt with as more than management or administration” of the organization under study.
  - The instrument should yield a cumulative index level of institutionalization such that, over time, when applied to the same organization, it shows a higher number when it has become more successfully institutionalized, and a lower number if there have been setbacks. It can thus serve as a kind of institutionalizing thermometer for managers and/or consultants.
  - It should be easy to use, not requiring sophisticated statistics nor expensive and laborious research techniques. It should codify some readily observable factors associated with institutionalization, weighting them realistically for incorporation in the index formula so that the interrelationship among factors bears some real-world relation to their importance as institutional indicators.
  - The overall quotient should give a generally useful number as to relative level of institutionalization, and also, the different categorical factors should provide useful analytic insights, case by case, for remedying weaknesses or counter balancing sectorial emphases. In short, it should be useful as both a research and a diagnostic tool for managers, consultants, and planners.
74. The organization occupies some "space" in its environment and is defined more by the dynamic interrelationship between its members and its societal context than by its internal assets.
75. Thus, the defining properties of an organization are characterized in terms of their internal asset value and their external asset value. The way in which an organization is perceived by its clients, sponsors, competitors, etc., and the place it occupies in their value systems, is perhaps the most important asset of an organization.
76. Identifying the fundamental characteristics of an organization the properties of organizationness as contrasted to the conditions necessary to achieve viability in a way that directly

addresses the fact that these are mutual properties of the organization and its environment;

77. Defining viability as a homeostatic relationship between an organization and its environment so that these essential properties of the organization are replenished.
78. Clearly, institutions do not exist in a vacuum. Much of the above literature views the environment within which a given institution operates from the vantage point of the institution itself. However, the macro-oriented literature summarized in the remainder of this chapter considers the broader perspective. That is, the vantage points are reversed so that, for example, the institutional infrastructure of a society can be viewed by those for which it is designed to serve. More important, with regard to why development occurs in the direction that it does, the forces that shape and redirect institutions are of interest to development scholars and practitioners alike. Both will find the following summaries worthy of their time and attention.
79. The Institution Building Universe and the Institution Linkages include :
  - Institution variables
  - Leadership
  - Enabling linkages
  - Doctrine
  - Transactions
  - Functional linkages
  - Programme
  - Normative linkages
  - Resources
  - Diffused linkages
  - Internal structure
80. Leadership applies not only to people formally charged with the direction of an institution, but also to all others who participate in the planning, structuring, and the guidance of it. Within leadership, viewed as a unit, important factors include political

viability, professional status, technical competence, organizational competence, role distribution, and continuity.

81. Doctrine, as the stable reference point of an institution to which all other variables relate, contains such characteristics as specificity, meaning the extent to which elements of doctrine supply the necessary foundation for action in a given situation; the extent to which the institutional doctrine conforms to the expected and sanctioned behaviour of the society; and the degree to which the institution's doctrine conforms to the preferences, priorities, intermediate goals, and targets of the society.
82. Those actions related to the performance of functions and services constituting the output of the institution represent its programme. Hence, important aspects of the programme variable include its consistency with the institution's doctrine, stability of output, feasibility regarding resources, as well as complementary production of other organizations in the absorptive capacity of the society, and the contribution of the institution toward satisfying the specified needs of the society.
83. The inputs of an institution, here defined as resources, are important not only in quantitative terms, but also because of their sources. These sources and the ability to obtain resources through them affect decisions with regard to programme, doctrine, and leadership. Hence, the two categories within this variable are availability and sources.
84. As both structure and process, the category of internal structure includes such things as the distribution of functions and authority, the processes of communication and decision making, and other relationship-action patterns. Consequently, it determines the efficiency and effectiveness of programme performance. Components of this category include identification of participants within the institution, consistency of the structure with the institution's doctrine and programme, and the structure's adaptability to shifts in programme emphasis and other changes.
85. Every institution is dependent upon other organizations for its authority and resources; hence, its linkages with other entities are vitally important. These linkages also include an institution's dependency on complementary production of other

institutions and on the ability of the environment to use its resources. Finally, linkages are also concerned with and subject to the norms of the society. Through these linkages the institution maintains exchange relationships with its environment, an interdependent complex of functionally related organizations. The four subcategories of linkages are discussed briefly below.

- In the initial stages of an institution's life, its prime target is developing its relationship with other entities that control the allocation of authority and resources it needs; this category is called enabling linkages. Developing relationships with such entities is important not only for obtaining authority and resources, but also because these are the same entities through which the institution's opposition seeks to withhold needed inputs from it.
- Functional linkages relate the institution to (1) organizations which are complementary in a productive sense that is, which supply inputs and use the outputs of the institution; and (2) those organizations which constitute real or potential competition. Through functional linkages an institution attempts to spread its innovations as it embodies and promotes new patterns and technologies.
- Both sociocultural norms and operating rules and regulations have important implications for institutions via normative linkages, through which the society places certain constraints on and establishes guidelines for institutions. The norms, rules, and regulations can either act as obstacles to or facilitate the process of institution building.
- While these three categories of linkages refer to relationships of an institution with other specific institutions and organizations, diffused linkages refer to the relationship between the institution and public opinion and with the public in general. Thus, this category includes relationships established through news media and other channels for the crystallization and expression of individual and small-group opinion.
- Through these four linkages, then, an institution carries on transactions with other segments of the society. These transactions involve not only physical inputs and outputs but also such social interactions as communication, support

acquisition, and the transfer of norms and values. More specifically, the purposes of transactions have been identified as:

- gaining support and overcoming resistance,
  - exchanging resources,
  - structuring the environment, and
  - transferring norms and values.
86. Institution Building is a time-consuming process. During its initial phase certain values or goals are conceived by the change agents, and a strategy is determined for their attainment. Also during this period, support is sought for achieving goals and values, an effort is made to overcome resistances, and an attempt is made to acquire the necessary authority and resources for the establishment of the institution. Subsequently in the life cycle of the institution, different strategies and actions are required for executing the programme, maintaining the institution, and facilitating the transfer of norms and values to other elements of the society.
87. In reflecting on different case studies, it has been attempted to :
- analyze and compare some of the most salient findings,
  - suggest implications for the programme's general approach to the institution building process and to the basic concepts which were their common point of departure, and
  - indicate the future development of theory, methodology, and practical application toward which these studies point.
88. Assuming that an institution is falling short of its objectives, the purpose of analyzing it would be to identify the sources of discrepancy between intended and actual system outputs. Subsequently, the analysis should be designed to provide alternatives in the institution or in its relations with other elements of the system that would enhance the probability of its success in accomplishing its objectives. Finally, the institution should be monitored to determine whether the alterations did in fact improve its effectiveness.
89. Effective institution development analysis requires careful rationalization of the entire process of institution building, identifying significant institutional characteristics and putting



these into an analytical framework that can be understood and operationally applied. The institution building matrix is the end product of this process.

90. The matrix proved to be a very useful analytical as well as programming tool and contributed significantly both to the technicians and host government institutional leaders understanding of the institution building process. It also confirmed my belief that an analytical and evaluative process could be developed upon which realistic institutional goals and strategies could be determined and initiated.
91. An analytical and an evaluative process compose this matrix. The former requires analysis of the most significant environmental factors of an institution, which are identified in checklist fashion. One of these is the donor of aid, which should be analyzed in terms of will, means, state of technology, constraints, project inputs, institution progress reporting, and influence. Environmental factors should also be analyzed for the host institution and its capacity for change should be evaluated.
92. The core of the matrix is the institution building profile, which consists of observations on :
  - institutional leadership properties,
  - establishment of institutional doctrine,
  - capacity for programme analysis,
  - institutional structures,
  - institutional linkages, and
  - capacity for institutional change.
93. Combined administrative-managerial profiles are constructed. The former include such major staff services as planning, finance, budgeting, personnel, and procurement. Subdivisions of the management component include :
  - management by objectives,
  - national capacity for attainment of objectives,
  - measurement and control of objectives,
  - political analysis for project implementation, and
  - project information dissemination.

94. The objective of the entire analytical-evaluative process is to provide a rational framework upon which an institutional development strategy can be designed. The analytical-evaluative technique is intended to clearly identify major institutional strengths and weaknesses and permit improvement strategies and courses of action to be devised which will be instrumental in moving weak institutional factors from right to left on the profiles.
95. The process gives the institutional leader good insight into the nature of his institution, permits the presentation of more critical and precise institutional goals or objectives, enables the institution to divert manpower and resources to more clearly defined objectives and problem areas, and charts a more orderly, well-balanced course for institutional improvement and viability.
96. The institution building matrix, although still in the developmental-experimental stage, has been used for five institutions. Experience has demonstrated that leadership properties are the most sensitive category to evaluate. Establishing institutional doctrine has proven to be the most difficult factor to understand. In addition, the capacity for institutional change is proving troublesome to comprehend.
97. The Institution Building Studies and Research Programme (IBSRP) must include the following :
  - an analysis of the interdependence of values, norms, structure, process, and technology in a social action situation;
  - an examination of the role of institutional organizations in social action and their relevance to the introduction of change;
  - the identification of the major elements affecting the establishment of new or reconstituted organizations which (a) introduce changes in values, functions, or technologies; (b) develop an internally consistent set of action elements; (c) attain support and bring about complementarity in the environment; and (d) foster, protect, and spread normative relationship and action patterns.
98. The following aspects should be analysed for strengthening the cause of Institution Building while dealing with educational institutions :

- Teacher's attitude toward his major function
  - Teacher's relationships with students
  - Teacher's execution of function
  - Teaching methods employed to achieve objectives
  - Relationship of subject matter content to country needs
  - Volume and productivity of research
  - Proportion of projects directed to high priority problems
  - Capability of staff for documenting the relevance to country needs
  - Definition of Extension Function
  - Identification of Priority Activities with country needs
  - Coordination with other agencies
  - Improvement of System (Organizational Self-Improvement Activities)
  - Use of such principles and processes as: Group Dynamics, Local Leadership, and Community Organizations
  - Focus on Best Technology
  - Stimulation of professional improvement
  - Recognition and reward for excellence
  - Delegation of authority
  - Sharing in making professional decisions
  - Effective use of controls
  - Development of public support
99. Before establishing the Institutions, the following should be kept in mind with a view to building a strong and purposeful institution :
- identifying and evaluating need;
  - forecasting the institution's capacity to fulfil the need;
  - determining the institution's mission;
  - determining the time dimensions of the development plan;
  - selecting the top leadership;

- determining leadership style;
  - designing the internal organization;
  - determining the institution's doctrine, especially selecting a model;
  - planning enabling linkages;
  - planning functional linkages;
  - planning relations with similar institutions;
  - planning for coping with environmental constraints.
100. The analysis of costs and benefits of management education is divided into two parts. Initially, a conceptual framework is developed for the measurement and analysis of the private and social costs and benefits of management education in the Indian context.
101. Both generic factors, inherent in probably all institution building efforts requiring foreign collaboration, and specific project factors had an effect on the struggle for influence. Generic factors include :
- deficiencies in organizational planning,
  - complications attributable to the participation of foreigners,
  - an inevitable disagreement over institutional doctrine and purpose, and
  - the exacerbating effects of newness on the one hand and rapid growth on the other. Specific project factors include :
  - special cultural conditions of India
  - heterogeneity of the faculty and administration
  - the high involvement of the faculty, especially the behavioural scientists, in an introspective analysis of the institute's organizational structures, and
  - the particular leadership styles of the directors and their use of seconds-in-command.
102. Strategic planning in institution building, however comprehensive, should not be regarded as a one-time activity and should provide for periodic reviews and planned critiques. Our Institute's clearly articulated doctrine gave it a strong sense

of direction and provided a solid base for faculty collaboration. Although only a part of strategic planning and subsequent evaluation, the cost-benefit analysis methodology developed can help to ensure that decisions are not unduly influenced by the enthusiasm and articulateness of well-meaning proponents or by the special interest of minorities with access to seats of power. Likewise, when used in auditing the consequences of decisions to initiate institution building projects, cost-benefit analysis can help to prevent the expansion or replication of activities that are attractive but not demonstrably cost-effective.

103. Institutions have been found with the following benefits as well as deficiencies :

- Those training experiences which provided a sense of accomplishment through acquisition of new knowledge especially, of knowledge applicable to familiar problems of immediate concern to the trainee were the ones most highly valued.
- The effect of management training on management practice is contingent on the receptivity of the user organizations to new ideas.
- The training efforts of the subject institutions may be too highly spread over too many organizations to have as much effect as if they were focused on a specific set of organizations rather than individuals.
- Use of institutionality, technical capacity, normative commitment, innovative thrust, environmental image, and spread effect.

104. In some countries, the economic growth is stopped by internal quarrels and mistrust? Why, in others, do competitors not only control their conflicts but use them to promote growth? In addressing this question, the present volume develops a broad-based theory of institutions. Growth depends, among other things, on a national capacity to build institutions to manage conflicts. This capacity, furthermore, requires national consensus on an economic and a political ideology. These ideologies are defined as the ways in which individuals envisage the economic and political systems how they operate, and how just they are. Ideological consensus in turn is fostered by a

popular nationalism, which therefore plays a positive role in growth rather than the negative one usually attributed to it by economists.

105. The effectiveness of institutions in managing conflict to :
  - capital and
  - entrepreneurial capacity as potential facilitators of economic growth.
  - The appropriate kind of institution is a location-specific phenomenon; an ideal institution for all circumstances does not exist. In part, the effectiveness of institutions depends upon the particular ideology on which consensus is formed. Such consensus must ultimately emerge or growth will falter.
106. A potential for conflict occurs whenever two individuals interact and each seeks to satisfy his own needs. The individuals often perceive this conflict even before they sense their mutual goals, especially in the encounters that are part of economic development. Once two or more persons perceive that they have a mutual goal or that separate goals can be achieved only if they work jointly, a formal organization or a normal pattern of behaviour emerges.
107. Such institutions are crucial in conflict resolution because the potential for conflict exists whenever a decision must be reached. Every decision is a conflict resolved . The value or effectiveness of institutions, then, can be measured in terms of their conflict-resolving capacity. This capacity is of utmost importance because conflicts, properly contained and managed, actually propel growth, e.g., labour seeks higher wages which management can pay only if productivity goes up.
108. Defined as any set of relationships between individuals that is designed to resolve their conflicts, institutions reveal each individual to the other as a reasoning person capable of compromise to achieve mutual goals and with predictable responses. As institutions facilitate conflict resolution, confidence is placed in them, and, subsequently, in the individual parties to the conflict. Given this mutual confidence, the original institution which facilitated its formation may be changed if a more efficient one emerges in the growth process.

109. Growth requires a division of labour and specialization which, in turn, require different institutions to facilitate exchange. The particular type of institution selected will be determined by benefits and costs of alternative institutions as subjectively judged by members of the power groups capable of forming it. If these groups are growth-sensitive, many of the benefits will be judged by the institution's capacity to achieve growth; its costs will be measured in terms of the pain felt by the power group forming it that is, in terms of sacrifices of resources, prestige, values, the effort required to overcome resistance of others, or even life itself in the case of a revolution.
110. In selecting among alternative institutions, the following dimensions are relevant:
- centralized versus decentralized,
  - authoritarian versus nonauthoritarian
  - formal versus informal,
  - employees incentives versus employees penalties, and
  - neutral versus biased toward specific solutions.
  - the set of dimensional points occupied by any institution depends upon :
  - the functions of the institution.
  - the institutional ideology accepted in the country.
111. Institutional ideology is one of several values that institutions must reflect. In fact, these values change as the society moves from the pre-take-off, through the take-off, and into the post-take-off stages. In the process, the transitional nature of the values creates strains for the institutions based upon them. The first institutions of take-off must conform to existing values or they will not be formed at all. For these institutions to be most effective in light of the existing framework of values, they must embody costly measures to protect contestants against other contestants who are not trusted at the time of takeoff. This means that the institutions are bound to strain values in order to encompass the conflicts which are new at this stage. The amount of strain a society can accept is limited, of course. But after these institutions have existed for some time and have

been accepted in the society, values will have changed and new institutions similar to them can be created.

112. Subsequently, the new institutions can strain values further, to the point where even the pace of the strain may be accelerated. When the society accepts the strain even at the point where the society itself becomes change oriented, the strain involved in change may itself become a value. This evolution of values suggests the profound effect that institutions established early in takeoff have for successive ones: Values and institutions interact: an institution changes values, then a new institution is formed dependent on the changed values; it changes them further, and so on.
113. Perhaps more important, however, is the need for ideological consensus within the society as it passes through stages. Optimal consensus probably involves some internal dissension, however, because it serves as a source for institutional vigour and flexibility. Nevertheless, a degree of consensus is a prerequisite for the evolution of any institution. Hence, growth-sensitive power groups seek consensus on ideology. Consensus can be gained directly through numerous media or indirectly by first creating the type of institution desired and then using it as a model for fashioning other institutions. After a society has passed through the takeoff period, all values essential to growth are likely to be called into question. The cultural structure erected to sustain growth is likely to be questioned long before production reaches its physical limits, because once the limitation of supply on growth becomes foreseeable and the pollution predictable, a change in values is likely to occur. Those for whom economic growth is no longer a dominant goal will become desensitized to growth.
114. Takeoff is the period in which growth-sensitive groups form and move into positions of power. Landing is the period in which power is sought by groups becoming desensitized to growth. The two periods are symmetrical. In each there is great confusion, as institutions of the previous period are unable to cope with new conflicts arising out of growth (in takeoff) or out of un-growth (in landing). Like takeoff countries, landing countries will find themselves in a severe ideological split. Institutions will weaken through lack of consensus on goals, and effective institutions will



not be formed until a new consensus on ideology and goals emerges.

115. Nationalism, defined as the acceptance of the State as the impersonal and ultimate arbiter of human affairs, not only is used as an ideology but also has operational connotations. The combination of ideology and nationalism is used by revolutionary elites to justify any action as legitimate. In spite of its limitations, ideology may help a society overcome some of its most difficult crises in the early period. In the long run, ideologies which maintain close contact with evolving aspirations may be more effective than ideology issued as unmitigated dogma.
116. In countries where nationalist ideology has been substituted for social cohesion, a power struggle frequently results between the revolutionary elites and the successor subelites. In these cases, the revolutionary elite may be inclined toward a nationalistic ideology in which unanimity and retention of control take priority over developmental goals. Frequently the elites in power convert the technology for development into technology for control. Regimentation and discipline become prime organizational techniques as demands for stability and national order replace those for rapid social change. Economic leaders are often replaced by military ones.
117. An attitude as a predisposition to experience a class of objects in certain ways, with characteristic affect; to be modified by this class of objects in characteristic ways; and to act with respect to these objects in a characteristic fashion. Hence, attitudes have been used by psychologists in explaining characteristics in perception, motivation, and social behaviour. Two major views concerning attitudinal change have been identified. One is the dissonance or disequilibrium theory of attitudinal change and the other is an organizational or functionalist theory of the origin of attitudes. The functionalist theory, which focuses on the role of attitudes and values in reconciling the individual to his environment, is used because the nature of attitudinal change in developing countries is perhaps more appropriately viewed in this way.
118. The very societies that are in need of massive institutional change are those that lack an effective complement of

mechanisms for carrying out such change in an orderly, systematic manner. While they have the advantage of being able to imitate the mechanisms found in modern societies, the process of imitation is far from simple. Wherever one looks there are difficulties.

119. Potential problems are so numerous their very multiplicity inhibits their recognition. Legislation for reform is so cumbersome that it precludes the possibility of change. Agencies responsible for dealing with the problems of change are starved for power, resources, and freedom to maneuver. In short, the institutional framework, and particularly the power structure, seriously inhibit problem solving activities in pre-modern societies.
120. The kinds of qualitative changes that must be made in basic institutions are reflected in two value judgments and empirical understanding of the workings of social systems. According to the first value judgment, indigenous ability to maintain a continually rising income in per capita terms is both good and a defining characteristic of economic development. The second value judgment states that increasing equality of wealth and income must occur over time. These judgments suggest the fundamental change of an increase in equality of opportunity and an implied degree of individual and group mobility. Freedom to organize and expand is essential for both entrepreneurs and the other dynamic roles needed in modernizing, such as revolutionaries, reformers, labour and peasant leaders, as well as innovative imperialists in education, science, and technology.
121. Losses in efficiency are the price that must be paid for the reorganization of activity patterns and redistribution of wealth and income. One such loss occurs as a consequence of devoting more resources to investment than would be justified by the willingness of people, given the freedom of choice, to forego present consumption of goods and services. An objective gain, however, would partially compensate for this in the form of a super-optimal rate of growth of the social product. The second type of efficiency loss results from distortions in prices and misallocations of resources necessary for the structural redistribution of wealth and incomes from more developed to less

developed people, sectors, and regions. A consequence of accepting these losses is a higher rate of development.

122. A radical development strategy will consist of three phases. The developmental growth phase stresses basic institutional change plus a massive increase in the brute capacity to produce. The second phase involves moving the restructured economy onto a new and efficient path. Finally, institutionalization of the progressive growth process is essential.
123. The reinstitutionalization of a society along modern lines requires a broad and persistent effort if it is to succeed. Piecemeal reorganizations accomplished in typical bureaucratic fashion by many cooperatives, development banks, extension programmes, and modern educational systems have resulted in little or no contribution to development. However, once mobilized on a broad front and given time for initial progress, the forces of evolution will eventually begin to take over the modernizing revolution. At some point, the society will have brought into being a new set of basic institutions and the evolutionary process.
124. Once underway, the process is inevitably altered by continuing forces of evolution and revolution. The new cohort of professionalized occupants of responsible intermediate roles in a modernizing society spells future difficulty for the old modernizing elites, partially because of the difference in values and goals perceived by the two groups and partially because of differences in ideas about the kind of a power structure deemed appropriate.
125. Regardless of source, an ideological strain is likely to emerge. This is compounded by deepening tension resulting from differences between the flexible norms of individual, organized, consummatory behaviour and the proliferation and tightening of productive norms. Finally, as the standard of living improves, the perennial conflict between humanistic and materialistic values will become more conspicuous.
126. The strategy which provides for the building of organizations around men who, in this instance, possessed a sense of trust and a sense of the significance of their role in building society.

127. They note the unusual combination of policy-making, executive, and scientific roles that accorded the institution's top administrator important power, freedom, and authority.
128. In the crucial early years of the institution, considerable benefit was derived from the transfer of a large group of scientists with a homogeneous culture from the predecessor institution.
129. As in many other professional groups, motivation and control were contained in professional commitments and exercised through both discussions and the judgment of peers.
130. The body to which the top administrator referred for policy and strategic decisions was compact in size and consisted of members chosen for their expertise and roles.
131. By wearing several hats at different times, key individuals in the institution participated in the interplay among basic science, technology, and industrial practice so that economic progress could result.
132. The following points must be considered while creating institutions :
  - There should be a stronger commitment on the part of all participating agencies to an expanded and long-term programme of building institutions;
  - More flexible project agreements and improved liaison among all players dealing with institution building;
  - Research on the institution building process should be significantly increased and existing knowledge should be utilized more effectively;
  - The basic ideas that underlie the educational institutions are highly relevant in technical assistance projects if properly understood and employed;
  - Agreement on goals and commitment to an overall strategy by the institutions and the collaborators should be strengthened by wider participation in project planning and review;
  - Those aspects of technical assistance programmes which have contributed to the highly negative attitudes of many university staff members and department heads should be changed;

- There should be fundamental changes in orientation programmes in order to prepare team members adequately for their overseas assignments;
  - Programmes of participant training should be more carefully planned and more adequately supported so that they conform to the developmental needs of host institutions;
  - The educational community should exert its leadership in developing a fuller public understanding of international technical assistance;
133. The building of an innovative developmental institution is never finished, i.e., it must always be in a process of rebuilding itself, of rejuvenating its innovative powers, if it is to be a meaningful agent of development.
134. The concepts of the Institution Building model are a useful general framework within which to conceptualize the rejuvenation process, but additional concepts are required. The greatest utility of the model for already- established institutions is the same as that for new institutions, namely, providing guidance in devising Institution Building strategies.
135. A large part of institutional resistance to change and subsequent atrophy as an innovative force for development lies in :
- the commitment by most institutions to reliable repetition of prescribed operations; and
  - the greater complementarity and operationality (the attainment process is known and criteria for measuring attainment are available and applied) of organizational maintenance goals, as compared to institutional substantive goals.
136. The key to attaining and maintaining a high level of institutional productivity lies in maximizing the consequentiality of the institution's products to the societal units in which these products serve.
137. Effective linkages require management with the following characteristics:
- periodic resurveys of all linkage possibilities;

- acceptance of responsibility for specific linkages by each staff member; and (c) staff planning of transaction strategies based on mutuality of benefits.
138. Most institutions, in their growth, reach a defined plateau of competence and performance, after time, at which level they can do very well without massive assistance. Rather than to continue to rely upon external assistance, when the plateau has been reached, it is preferable that the institution proceed on its own, even though there might be some slippage in the programme. At some later time perhaps, when the institution is ready to move toward a higher plateau of excellence or of programme coverage, a new assistance project might be considered. During the interim period, or when the project comes to a close, a thread of relationship should be maintained between the institution and the university. A modest exchange of professors and students and of publications gives returns much larger than the costs in terms of research and teaching at both ends of the connection.
  139. Development, or more modestly, social change, and the concomitant new values, functions, technologies and action patterns, cannot be effectively introduced and sustained in transitional societies unless they are embedded in a supportive network of social structures, processes, and norms. In short, these innovative values, functions, and technologies must be institutionalized.
  140. This process takes place in and through institutional organizations which must either be newly created or adapted and restructured for this purpose.
  141. Institutional development need not be a natural or evolutionary process which occurs independently of human design. In this era, new technologies and new institutional forms are almost everywhere deliberately induced and directed. This sense of deliberate human purpose and human direction warrants the use of the phrase institution building and suggests a key role for modernizing elites.
  142. Institution building is thus an approach to the development process which relies heavily on the concept of social engineering and which stresses the leadership functions of modernizing elite

groups within that process and the alternative action strategies available to them.

143. As development occurs, social functions or technologies become increasingly specialized. With specialization, interdependencies develop. The institutions incorporating innovations are thus involved in a network of complementary and competing relationships in their environment on which institution building research must focus.
144. Institution building is conceived of as a generic social process. There are elements and actions that can be identified as generally relevant to institution building, even though their expression will differ depending on the type of institution and the social environment.
145. It is possible, through systematic and comparative analysis of institution building experiences, to derive elements of a technology of institution building that will be useful to persons engaged in introducing innovation into developing societies, whether they be indigenous change agents or foreign advisors.
146. The institution building approach is :
  - interdisciplinary;
  - can draw few insights from Western organization theory. Rather than assume that the prerequisites associated with organizational efficiency prevail in traditional societies, institution building research begins with the assumption that deliberate efforts must be made to introduce radical innovations into traditional societies whose cultural values and social structures, in addition to economic and political interests, may not initially be supportive of these changes.
147. The institution building approach is addressed to situations in developing countries where nation building and socioeconomic progress are overriding goals. Hence, these goals constitute normative guides and regulators of official doctrine and, as such, influence public policy and programmed action.
148. Our task or action oriented model now begins to emerge, incorporating the following components: a governing, goal-oriented elite which bears the major responsibility for initiating and directing the process of modernizing change; a doctrine, or

set of action commitments, which establishes, communicates, and legitimizes norms, priorities and styles for operating programmes; and a set of action instruments through which communication with the community is maintained and operating programmes are implemented.

- 149 Institution Building provides the means by which a change oriented leadership can articulate with an organized community and the community can participate in the struggle to achieve the twin goals.
150. Development with the institutionalization of political organizations and procedures. Rapid increases in mobilization and participation, the principal political aspects of modernization, undermine political institutions. Rapid modernization produces not political development but political decay. In order to liberate the concept of development from the concept of modernization, political development is defined as the institutionalization of political organizations and purposes. This institutionalization can be measured by an organization's adaptability, complexity, autonomy, and coherence.
151. Two general considerations affecting the probabilities of success in institution building are recognized:
  - that the psychological and cultural characteristics of people differ markedly and, with them, peoples abilities to develop institutions, and
  - that institutions are the products of conscious, purposeful effort.
152. There are two methods of furthering institutional development. One is to slow social mobilization, which presumably creates conditions more favourable to the preservation and strengthening of institutions. Three methods of doing this are
  - to increase the complexity of the social structure,
  - to limit or reduce communications in the society, and
  - to minimize competition among segments of the political elite.The other method is to develop strategies and directly apply them to the problem of institution building. This creates a dilemma in that the would-be institution builder needs personal power to create institutions, but he cannot create institutions without relinquishing some of this personal power.



153. In the absence of traditional political institutions, the political party is the only modern organization that can become a source of power and that can be effectively institutionalized. Regardless of the type of institution involved, the danger of over-extension of its resources in the institution building process is considered analogous to the danger involved in over-extending troops in a military campaign.
154. The central object of any educational institutional development is to embody a doctrine in an organization. This doctrine includes norms as well as skill and/or knowledge content.
155. The ability to interpret doctrine and to make innovative applications of it in operating and developing a programme of activities is probably the key indicator that the doctrine has been institutionalized.
156. The development of an innovative institution depends upon the creation of a structure of institutional leadership.
157. Protecting and maintaining an institutional leadership structure, plus a supporting cadre, in a hostile environment may be more difficult than establishing it in the first place. . . .
158. It is entirely possible to mobilize environmental support for an innovative institution even if there are sharp inconsistencies between the institution's doctrine and the value orientation characteristic of that environment. . . .
159. A full determination of the institutionalization of an educational entity such as the IPA must consider the impact upon the organization's clientele and, ultimately, of the clientele upon the environment.
160. The Institution Building enterprise is a peculiarly appropriate means of bringing sociology and political science to bear upon the problems of education. However, he argues that the environment of an educational institution is not only the political, economic, and social setting of its particular locality, region, or nation, but also embraces the larger supranational environment represented by the world of knowledge, the international canons of scholarship, and the practice and performance of professional behaviour that transcends national boundaries. In addition, he maintains that the implicit

assumption that the direction of change in institution building should progress from the relatively less to the relatively more modern should be made explicit and dealt with accordingly.

161. Institutions may stimulate or impede behaviour leading to economic growth by their following effects:

- the direct calculation of costs and benefits;
- relationships between production and distribution (output and income);
- the order, predictability, and probability of economic relationships;
- knowledge of economic opportunities; and motivations and values.

162. The following forces, which we categorize as prime movers, have brought about changes :

- economic forces
- technological forces
- spiritual forces
- sociocultural forces, and
- political forces.

163. The list of main catalytic forces that accelerate change include:

- reward-awareness;
- generation tension;
- prophetic pronouncement;
- moral indignation;
- emotional mass movement; and curiosity.

164. The following inhibiting forces that retard change are :

- fear of taking risks;
- generation-to-generation perpetuity;
- the sacred nature of the existing order;
- rejection of individual deviation; and xenophobia.

165. The term institution is used in many ways. There has been an organized capability to perform the important economic, social, or political functions in a society. In performing these functions, institutions are particularly important in providing not only the opportunities for developmental action, but also the necessary incentives to encourage individuals to react to changing conditions in the desired manner. This reflects the interdependency of institutional arrangements and policy determination and implementation. For example, government price policy may provide incentives to produce more of a particular type of commodity, but the individual entrepreneur cannot respond in a meaningful way to this incentive without access to adequate credit, marketing, and other institutional services.
166. Moreover, the quality of institutions is an important aspect that must be considered. It is not enough that an institution simply exists in a static sense. Rather, it is imperative that the institution be a viable, dynamic unit generating the proper conditions for orderly change in the society through time. The influence of institutions on the societies they serve can either catalyze or retard economic and social progress.
167. Institutions along with government policies are the major variables determining what people do in developing countries. They are prime determinants of the course of political, social, and economic progress and offer the greatest potential for influencing the direction of development.
168. Economic growth is a state of increase in the national product, without reference to income distribution. Per capita economic growth occurs when the percentage increase in national product is greater than the percentage increase in population. Economic development, on the other hand, is economic growth combined with the nurture of those culture objects (norms, institutions, and values) necessary to make growth continuous.
169. Modernization is the process of acquiring both economically progressive institutions and other types of progressive institutions as well. To acquire progressive institutions, and thus to become modern, is very different from having and operating such institutions, and thus to be modern.

170. Development, or more modestly, social change, and the concomitant new values, functions, technologies and action patterns, cannot be effectively introduced and sustained in transitional societies unless they are embedded in a supportive network of social structures, processes, and norms. In short, these innovative values, functions, and technologies must be institutionalized.
171. This process takes place in and through institutional organizations which must either be newly created or adapted and restructured for this purpose.
172. Institutional development need not be a natural or evolutionary process which occurs independently of human design. In this era, new technologies and new institutional forms are almost everywhere deliberately induced and directed. This sense of deliberate human purpose and human direction warrants the use of the phrase institution building and suggests a key role for modernizing elites.
173. The concept institution building will be further defined and discussed later; but, first, the term institution requires attention.
174. The term institutions refers to organizations staffed with personnel capable of carrying out defined, but evolving, programmes contributing to social and economic development and having enough continuing resources to assure a sustained effort for establishment, acceptance, and application of new methods and values.
175. Institution is sometimes used to refer to certain types of organizations'. Sometimes institution refers to a quite different phenomenon namely, to a normative principle that culturally defines behaviour such as marriage or property. Because of these two conflicting usages, this term has probably caused more confusion than formal organization and bureaucracy together. All three might well be avoided in favour of the simple term, organization.
176. To institutionalize is to infuse with value beyond the technical requirements of the task at hand. The prizing of social machinery beyond its technical role is largely a reflection of the unique way in which it fulfils personal or group needs.

Whenever individuals become attached to an organization or a way of doing things as persons rather than as technicians, the result is a prizing of the device for its own sake. From the standpoint of the committed person, the organization is changed from an expendable tool into a valued source of personal satisfaction.

177. Organizations are technical instruments, designed as means to definite goals. They are judged on engineering premises; they are expendable. Institutions, whether conceived as groups or practices, may be partly engineered, but they have also a natural dimension. They are products of interaction and adaptation; they become the receptacles of group idealism; they are less readily expendable.
178. An organization which incorporates, fosters, and protects normative relationships and action patterns and performs functions and services which are valued in the environment. Thus, while all institutions are organizations of some type, not all organizations are institutions.
179. An institution is more than an organization and more than a cultural pattern. It attracts support and legitimacy from its environment so that it can better perform its functions and services. This is the essential dynamic of Institution Building.
180. To the extent that an organization succeeds over time in demonstrating the value of its functions and having them accepted by others as important and significant, the organization acquires the status of an institution.
181. It should be recognized at the outset that institutions, as used in the context of this research, are defined in a particularistic manner. They are specific formal organizations which over time have developed a capacity to act as agents for the larger society by providing valued functions and services. More than this, they serve as models for defining legitimate normative and value patterns, conserving and protecting them for the larger society.
182. In dealing with the problem of how to introduce innovative techniques in developing societies, we assume that an effective way to do this is by creating and supporting formal organizations which utilize these innovations and corresponding technology in such a manner that, over time, given changes in

the existing institutional complex of the society, these organizations take on the mantle of institutions.

183. Institutions are special types of organizations which embody certain values and norms, represent them in society, and promote them. In this special meaning, organizations do not qualify as institutions if they perform technical functions which are purely instrumental and which do not embody values that become normative in society. Institutions are thus a sub-class of large-scale organizations which have explicit, overt, purposeful programmes of discriminating and promoting certain sorts of values.
184. Institutions are, for purposes of the present discussion, defined as well-established and understood organized constellations of roles which fulfil functions for society or groups within a society. The point that must be stressed is that institutions are organized networks of roles with distinct social consequences. No single role represents an institution; it is the patterned organization of roles in an inseparable complex which makes the social institution meaningful.
185. The term institution refers to organizations and policies, both governmental and private. This limited definition is used in order to select those elements in the existing or potential social context which can be incorporated in institutional programmes, accompanying and supplementing investment and technological programming. Such programmes are conceived as groups of integrated and consciously planned institutional innovations designed to stimulate those kinds of behaviour by management, farmers, labour, consumers, savers, investors, and innovators which can be expected to initiate and sustain growth.
186. Institutions are bounded, integrated, and internalized sets of social components; ideas, concepts, symbols, rules, statuses, relationships, and so on. By bounded we mean that the relevance of the set of components is restricted in certain commonly understood ways: for example, to people in a certain geographical area or kinship group, to those belonging to certain formal or informal organizations, to those engaged in certain kinds of behaviour or present at certain times or places, and so on. By integrated we mean that there is a logical, an empirically necessary, or an historically sanctioned interdependence,

consistency, and appropriateness among institutions and among the components of a given institution.

187. By internalized we mean that the individuals whose behaviour is guided by an institution understand its components and their interdependence and that, through emotional attachment or intellectual appreciation, there is a measure of commitment to the institution. Institutions thus establish and coordinate behaviour patterns, making social action meaningful.
188. What distinguishes an institution from an organization, is whether or not it can influence other entities in the economy, or whether it is limited to the programmes it can execute directly. The fact is that institutions are not built in a vacuum. They are built only through an active, even aggressive participation in an economy.
189. Sociologists are often neither clear nor in agreement on the meaning of the term institution. There are those who restrict the term to refer to the established forms or conditions of procedure characteristic of group activity. This implies that every group in a society has its own characteristic values, meaning, and forms of procedure or, every association has, in respect of its particular interest, its characteristic institutions.
190. An institution has generalized patterns of norms which define categories of prescribed, permitted and prohibited behaviour in social relationships for people in interaction with each other as members of their society and its various subsystems and groups.
191. Following this definition, we may speak of complexes of institutional patterns as regulating all the major functional contexts and group structures of a social system, economic, political, integrative, educational, cultural, etc.
192. In another use of the term we find that the term institution has been used both to denote specific units or collectivities in the society, and with regard to generalized meanings, values and broadly shared norms of social structure and conduct. Let us distinguish between diffused-symbolic institutions and nucleated institutions. The first type refers to the meaning and value content of diffused concepts like art, law, ethics, science, etc., whereas the second possesses tangible aspects.

193. The nucleated institutions include among others local government, local business enterprise, newspapers, the school, the family, etc. and refer to the nucleated institutions as cultural concretions and explains their origin under five points:
- First, a social institution arises out of and as a result of repeated groupings of interacting human individuals to elemental needs or drives (sex, hunger, fear, etc.).
  - Second, common reciprocating attitudes and conventionalized behaviour patterns develop out of the process of interaction (affection, loyalty, cooperation, domination, subordination, etc.).
  - Third, cultural objects (traits) that embody symbolic values in material substances are invented or fabricated and become cue stimuli to behaviour conditioned to them (the idol, cross, ring, flag, etc. are charged with emotional and sentimental meanings).
  - Fourth, cultural objects (traits) that embody utilitarian values in material substances are invented or fabricated and become the means of satisfying creature wants for warmth, shelter, etc. (buildings, furniture, etc.).
  - Fifth, preserved in oral and written language, externally stored and handed down from one generation to the next, there is description and specification of the patterns of interrelationship among these elemental drives, attitudes, symbolic culture traits, and utilitarian culture traits (codes, charters, constitutions, franchises, etc.).
194. Variations on this classification, which distinguishes between institutions as norms of value and conduct and specific collectivities of people in organized interaction, can be found in the work of other social scientists.
195. Regardless of the definitions and uses of the concept institution, it appears that there is basic agreement on certain elements of the phenomenon.
- Thus, the concept refers to a set way of perceiving and doing things; institutions prescribe the norms of behaviour.
  - Institutions have a degree of regularity and permanence independent of individual actors.



- The patterns of norms as referred to in the definitions may apply to a small group of interacting individuals or to an entire society.
196. Adhering to these basic elements, but deviating in some respects from the traditional sociological definitions, we shall define institutions in this context as organizations which embody, foster, and protect normative relationship and action patterns and perform functions and services which are valued in the environment. Organization as used here refers to a consciously designed and controlled set of actions and relationship patterns among persons in interaction toward the achievement of certain objectives.
197. Clearly, enough variation in the connotation of the term institution exists to require careful reading to determine the meaning each author attaches to it. The definition of the term has much to recommend it:
- It is useful in considering the role of institutions in the development process and it is used modally in the literature. However, to read all the institution building literature with only that unique definition in mind would distort the meaning of a majority of the works. While a single, all-purpose definition of institution would be convenient, it does not exist, and the literature is not mature enough for its formulation at this time.
198. Values in the context of institution building are assertions about facts, and determining facts depends on values. Values cannot be rationally established or defended but can be rationally discussed, analyzed, and understood.
199. The definition of values and the process of value formation eliminates facts as an opposite of values; as a result, the value-fact controversy loses much of its substance. Why then bring it up in the first place? There are three reasons.
- First, there seems to be much accumulated evidence that values play indeed a most important role in the decisions and transactions of most organizations, especially if we include in our definition of values not only positive forces such as goals, preferences, or the desire to reach certain future states of affairs, but also negative forces such as fears, doubts, or the rejection of certain future states of affairs. If values are important factors in organizational or administrative behaviour, then the problem of

handling or managing values and value congruence or dissonance also becomes important; this constitutes a challenge for both organizational theory and practice.

- The second reason is that dichotomous thinking, even if it reflects reality insufficiently as we have seen in the value-fact issue, can have its usefulness as an analytical device in detecting dynamic trends and in providing direction. It seems that viewing forces as flowing between opposite poles is an analogy not alien to reality, provided one views forces in flow and not static or momentary manifestations of a force.
  - The third reason, when concerned with organizations, is that the rather untenable value-fact dichotomy leads us to a more fruitful dichotomy which, when used as an analytical device, seems to provide directions for value-management in organizations which we could not find in the value-exogenous perspective of organizations.
200. Thus, an organization is primarily a technical instrument, a means to reach certain objectives, but never an end in itself. The institutional approach emphasizes not only the instrumental characteristics; nor is the focus of analysis and action primarily on the structural, functional and behavioural elements which are internal to the organizational system though these are essential also.
201. In institutional analysis, we are concerned with purposes and values which extend beyond the immediate task at hand, with the spreading of norms which affect participants and clientele beyond the functional and productive specialization of the institution. Thus, institutional values and specific relationship and action patterns governing the performance of functions within the institution become normative beyond the confines of the institution itself and stable points of reference both within the organization and for the environment. It goes without saying that influences flow simultaneously in the opposite direction, from the environment to the institution, affecting the latter both in its structure as well as its performance.
202. The institutions can influence economic development by means of motivations and values. By values we mean individual and collective judgments (or assumptions) concerning what is

desirable. In rational human behaviour, values provide the motivations which impel men to choose or avoid particular types of voluntary action.

203. In attempting to identify the psychological effect of ideological differences, it is stated that a compilation of very general values or attitudinal objects represents ideology. Typically, ideology is the favourite tool in the hands of the revolutionary elite.
204. Ideology is the individual's view of society that best enables him to fit into it. This sociopolitical concept of ideology implies a psychological reason for the individual's selection. He must create his niche in society. Either he must shape himself to fit society, or he must form his concept of society to fit his concept of himself. Most of us do a bit of each.
205. Ideology and passion may no longer be necessary to sustain the class struggle within stable and affluent democracies, but they are clearly needed in the international effort to develop free and political institutions in the rest of the world. It is only the ideological class struggle in the West which is ending.
206. Ideological conflicts linked to levels and problems of economic development and of appropriate political institutions among different nations will last far beyond our lifetime, and men committed to democracy can abstain from them only at their peril.
207. Emphasizing that institution building requires more than establishment of a new organization. It must fit into local ways of doing things, be staffed, supported, and wanted by host country nationals, and perform a useful function for the society.
208. The idea of institution building is to fabricate organizations in environments needing and perhaps desiring change. Through accumulating necessary resources, persisting over time, and most importantly impacting its environment, these organizations are to be agents for change. Institution is understood in Parsonian terms as referring to normative patterns which define proper, legitimate or expected modes of action or social relationships, and also as a change inducing and change-protecting formal organization.
209. Institution Building involves the introduction and establishment of organizations which in turn induce changes in patterns of

action and belief within a society. Most commonly, these changes are associated with new technologies, both physical and social. The crux of the Institution Building process is moving from introduction to establishment.

210. It is frequently difficult to distinguish between institutional change and institution building. Changes in external and internal conditions, in leadership and resources make all organizations change and adapt over time.
211. An organization which does not have this adaptive capacity is not likely to survive. Assuming that the functions it fulfils are still required by society it will be replaced by another organization or organizations which are more responsive to the changing needs. Such adaptive change of organizations, however, is conceptually different from institution building. Institution building refers to the deliberate infusion of fundamentally different values, functions and technologies requiring changes in the institution's doctrine, in its structural and behavioural patterns.
212. In general, it can be said that organizational institutionalization is more meaningful than the expression institution building because of its neutral connotation. For one thing it avoids the modernizing bias contained in the rationale of institutional building studies, thus increasing the universalistic value of the model developed so far, and it allows the latter to be applied to a wider array of organizations that may not , have any connection with modernization in the cross-cultural, comparative administrative sense.
213. Regardless of the specific terms used, the institution building process contains the basic elements of institution variables, linkages, and transactions. The first of these will be discussed in the next section and the remaining two in the following section.
214. Initially in this section the major institution variables will be defined in both extensive and shortened form. Subsequently, additional definitions of each of the major institutional variables will be provided. Throughout, the focus will be on parameters internal to an institution.

215. Viewing them as the elements necessary and sufficient to explain the systemic behaviour of an institution, let us describe the five institution variables as follows:

- Leadership, defined as the group of persons who are actively engaged in the formulation of the doctrine and programme of the institution and who direct its operations and relationships with the environment. Leadership is considered to be the single most critical element in institution building because deliberately induced change processes require intensive, skilful, and highly committed management both of internal and of environmental relationships.
- Leadership is considered primarily as a group process in which various roles such as representation, decision-making, and operational control can be distributed in a variety of patterns among the leadership group. The leadership group comprises both the holders of formally designated leadership positions as well as those who exercise important continuing influence over the institution's activities. A number of leadership properties are identified as variables, among them political viability, professional status, technical competence, organizational competence, and continuity. High ranking on each of these properties is expected to correlate with leadership success.

216. Doctrine, defined as the specification of values, objectives, and operational methods underlying social action. Doctrine is regarded as a series of themes which project, both within the organization itself and in its external environment, a set of images and expectations of institutional goals and styles of action. Among the subvariables which seem to be significant for the effectiveness of doctrine are specificity, relationship to (or deviation from) existing norms, and relationship to (emerging) societal preferences and priorities.

217. Programme, defined as those actions which are related to the performance of functions and services constituting the output of the institution. The programme thus is the translation of doctrine to concrete patterns of action and the allocation of energies and other resources within the institution itself and in relationship to the external environment. The sub-variables which were identified as relevant to the programme or output

function of the institution are consistency, stability, and contribution to societal needs.

218. Resources, defined as the financial, physical, human, technological, (and informational) inputs of the institution. Quite obviously the problems involved in mobilizing and in ensuring the steady and reliable availability of these resources affect every aspect of the institution's activities and represent an important preoccupation of all institutional leadership. Two very broad sub-variables are identified in the original conceptualization availability and sources.
219. Internal Structure, defined as the structure and processes established for the operation of the institution and for its maintenance. The distribution of roles within the organization, its internal authority patterns and communications systems, the commitment of personnel to the doctrine and programme of the organization, affect its capacity to carry out programmatic commitments. Among the sub-variables identified in this cluster are identification (of participants with the institution and its doctrine), consistency, and adaptability.
220. Let us provide the following shortened definitions of the major institution variables:
- Leadership: The group of persons who direct the institution's internal operations and manage its relations with the external environment.
  - Doctrine: The expression of the institution's major purposes, objectives, and methods of operations.
  - Programme: The activities performed by the institution in producing and delivering outputs of goods or services.
  - Resources: The physical, financial, personnel, informational, and other inputs which are required for the functioning of the institution.
  - Internal Structure: The technical division of labour, and distribution of authority, and the lines of communication within the institution through which decisions are taken and action is guided and controlled.
221. Leadership : Since numerous volumes have been written on the subject of leadership, the term cannot be treated extensively

here. The art of the creative leader is the art of institution-building, the reworking of human and technological materials to fashion an organism that embodies new and enduring values.

222. In short, the role or position of the leadership in the social structure bears on its channels of communication, its power and influence in the functional area and the environment.
223. Motivation: Beyond the actual motivation of the leadership, we are also concerned with the motivations ascribed by the environment.
224. Functional competence: This refers to the technical competence in the functional area of the institution as it is represented in the leadership group.
225. Organization competence: By organization competence is meant talent for combining personnel and resources into dynamic, self-sustaining enterprises.
226. Role Distribution: Which indicates whether the potentially available complementarity among the members of the leadership unit is in fact fully used.
227. Continuity: Without continuity in the leadership group there are likely to be changes in values and approaches which are detrimental to the consistent and systematic building of an institution. Besides, it hampers the development of the necessary competences and their application to a given situation.
228. Institution Builder is not simply the counterpart of homo economicus. He does not merely buy cheap and sell dear. Rather he is an entrepreneur, combining factors of organizational production in such a way as to produce valued outputs. These in turn yield him resources which may be used to further the process of organizational growth. He is one who has a canny sense both of his market opportunities and his own objectives. He finds new sources of resources and support, new combinations which are more productive, or new uses for them which yield greater value of output.
229. The characteristic of leadership, then, which distinguishes it with success is an acute faculty for strategy, that is, the use of resources over time. A person occupying a position of authority who lacks a sense of the productivity of time may well squander

or dissipate the resources which accrue to his position. Many persons in positions of authority have resources at their disposal. Yet often by neither seizing nor making opportunities for organizational growth they forfeit the possibility of strengthening the organization by increasing its outputs or increasing its inputs.

230. Doctrine: Since doctrine has proven to be a difficult concept because of its abstract nature, the following statement justifies its nature :
- Some of the recent literature on institution building has used the term doctrine instead of mission or objectives. At first we were tempted to avoid this term as less familiar and more ambiguous than the alternative terms which have become well established in the literature on administration, particularly on business policy. On second thought, however, it appeared to us that doctrine is a useful concept; it goes beyond the broad objectives, which normally are short statements of the major goals to be sought. The doctrine takes the objectives and converts them into a more concrete set of policies and guidelines which give definite direction for the institution's activities.
231. Doctrine is used as synonymous with ideology, more specifically applied ideology. Put in this way, doctrine is closely associated with autonomy in the sense that doctrine may also mean rules and values which are built in the organization in such a way as to justify its functions and existence.
232. Doctrine is also the self-propelling, self-renewing value system that gives an organization a life line independent of the corporate sum reached by adding up the qualities of its individual members.
233. It is the function of doctrine to establish normative linkages between the old and the new, between establishment and innovators, such as would legitimize innovations which came with the new organization. Doctrine itself could not perform this function; yet it could provide connections which made organizational innovations appear less new, less threatening, and correspondingly more legitimate. It could tip the balance.
234. At the same time that it might perform this function with those publics who would ultimately either institutionalize or reject



innovations, it could also provide institutional leaders with norms or standards which could guide them in projecting programmes, establishing priorities, and assessing accomplishments. It could provide a sense of solidarity and progress so important to morale.

235. Programme: Programme represents the translation of doctrine into practical activities of organization. Given the scarcity of resources, a programme represents a statement of priorities or a sequence of resource allocations judged to be most productive for attaining organizational goals.
236. Those planned and organized actions that are related to the performance of functions and services, i.e., the production of the outputs of the institution (teaching, research, extension). Programmes are designed to fulfil the goals of the organization as set forth in legal mandates, official doctrine, and needed and demanded by the environment to be served.
237. Resources : The inputs of the organization that are converted into products or services and into increases in institutional capability. It includes not only financial resources that can be used for construction of physical plant, equipment and facilities and employment of personnel services, but also such intangibles as legal and political authority and information about technologies and the external environment.
238. Resource availability: The physical and human inputs which are available or can be obtained for the functioning of the institution and the performance of its programme.
239. Sources: The sources in the environment from which resources have been obtained and alternative sources to which the institution has access.
240. We think of resources as the physical, human, and technological inputs of the institution. Their availability to the innovative organization is at the crux of our studies, as is the identification of the actual and alternative sources of these resource flows, and changes in them.
241. Internal Structure: Our concern is here with the mechanisms and modes of control, communication, and decision making within the institution. The structure of the institution, i.e., role

specification, and the distribution of authority and decision making, affects programme performance and maintenance of the system.

242. Similarly, the structure of the institution and the processes of communication and decision making affect the identification with the institution on the part of the participants, as well as the control and influence exercised by the leadership. Where organizational structure and process deviates from the established norms within the environment, the institution's internal structure will affect the relations of the institution with the external world. It can be stated, then, that internal structure is a significant element for institution building analysis in at least four areas:

- programme performance;
- system maintenance;
- identification of the participants with the institution; and
- relationships with the environment.

243. That organization of resources into formal and informal patterns of authority, division of responsibility among the different units of the organization, channels of communication, and means of resolving differences and formulating consensus on priorities, policies, and procedures.

244. Linkages and Transactions: Because the basic purpose of the institution is to induce change in its environment linkages and transactions take on a particular importance, and indeed the conscious attention given to this thrust towards the environment has given the Institution Building perspective a distinctive appeal.

245. The interdependencies which exist between an institution and other relevant parts of the society. The institutionalized organization does not exist in isolation; it must establish and maintain a network of complementarities in its environment in order to survive and to function. The environment, in turn, is not regarded as a generalized mass, but rather as a set of discrete structures with which the subject institution must interact.

246. The institution must maintain a network of exchange relationships with a limited number of organizations and engage

in transactions for the purposes of gaining support, overcoming resistance, exchanging resources, structuring the environment, and transferring norms and values. Particularly significant are the strategies and tactics by which institutional leadership attempts to manipulate or accommodate to these linkage relationships.

247. To facilitate analysis, four types of linkages are identified:

- enabling linkages with organizations and social groups which control the allocation of authority and resources needed by the institution to function;
- functional linkages, with those organizations performing functions and services which are complementary in a production sense, which supply the inputs and which use the outputs of the institution;
- normative linkages, with institutions which incorporate norms and values (positive or negative) which are relevant to the doctrine and programme of the institution;
- diffused linkages, with elements in the society which cannot clearly be identified by membership in formal organizations.

248. Linkages: Patterned relationships between the institution and other organizations and groups in the environment. These relationships comprise the exchange of resources, services, and support and may involve various degrees of cooperation or competition.

249. Enabling: Relationships with organizations that control the allocation of authority to operate or of resources.

250. Functional: Relationships with organizations that supply needed inputs or which take outputs.

251. Normative: Relationships with organizations that share an interest in social purposes.

252. Diffuse: Relationships with individuals and groups not associated in formal organizations.

253. For the creation of a new institution which introduces new values, relationship and action patterns, and social and physical technologies, the institutional linkages are highly significant. The process of institution building depends to a large extent on

the number and kinds of linkages which the organization has with its environment and how these linkages are affected.

254. A significant aspect of institution building is the structuring of an environment which supports and is complementary to the values, functions and services of the new institution. The creation of a new institution or the reconstitution of an existing institution will affect the role boundaries of the interdependent complex of functionally complementary organizations. Innovations which are introduced within and by the new institution will affect the external relations and internal processes of one or more organizations in the functional complex. Thus, concomitant changes may be required in the environment if the new institution is to adhere to its values, carry out its programme, and attain its objectives.
255. Let us discuss the elements of an organization's environment which may resist, i.e., prevent or make more costly, the desired changes. The term linkages may itself also be too abstract. What is implied in that description is exchange relationships exchanging resources, gaining support, establishing legitimacy, etc. This conceptualization points up the consideration most critical for institutionalization the establishment and maintenance of interdependencies which exist between an institution and other relevant parts of the society. It also makes clearer, on the one hand, the importance of reciprocity, and, on the other hand, of asymmetry in relationships which characterize institutions. The notion of enabling linkages cloaks both these distinctions.
256. An institution provides something in return for its inputs, whether it is tangible and immediate or not. But it is more an institution and less an organization to the extent that others are more dependent on it than it on them.
257. Linkage refers to the source of resources from the environment. This ambiguity is to be avoided by identifying resource exchanges or flows as linkages and by speaking separately of groups, organizations or sectors in the environment with which linkages can be established.
258. The chief distinction between the institutions we are considering and business enterprises is that the market is not usually

expected to provide full financial support. The institution is dependent upon government subsidies, foundation grants, and private donations to supplement whatever fees it collects. Winning support from the market requires a wide range of marketing activities which must be planned. Winning support from government agencies requires an analysis of points of access to the governmental structure and the planning of negotiations with the appropriate agencies. Similarly, plans must be made for approaches to foundations or private donors.

259. Some of the systemic linkages bind the organization to other organizations and social groups in an enabling manner. Some organizations, groups, and personalities control the decision-making processes which bear on the allocation of authority and resources which are essential for the innovative organization to function at all. Through these enabling linkages, the change agents seek to further their cause. The innovative organization is dependent entirely in its continued functioning on the maintenance of minimally satisfactory relations with other societal units with which it is linked in an enabling sense.
260. There are also functional linkages. These bind the organization with others who may be performing functions and services complementary to the innovative organization. They supply the inputs, and the organizational outputs are directed to such functionally-linked units. Both inputs and outputs are generally some mixes of symbols, people, and materials. Patterns of support become manifest in inputting the right kind, of the right quantities, and at the needed times. Patterns of support will also become manifest in the acceptance and utilization of the outputs of the organization.
261. There are also normative linkages. They specify the organization's relations with institutions which incorporate norms and values relevant to the doctrine and programme of the organization. Many norms and values are thus protected by existing religious and political organizations even though they are not tied to the innovation in either an enabling or functional sense. Depending on the characteristics of the linkages, they may enhance or hamper the institution-building process.
262. Finally, there are diffused linkages. Certain patterns of dependency exist vis-a-vis the various population aggregates.

The innovative organization is either directly or indirectly affected by diffused support or resistance. The problem of diffused linkages thus concerns such issues as those of public opinion, and the relations with the larger public as mediated by the various mass media of communication and other channels for the crystallization of individual and aggregate opinion not reflected in formal institutions of a society.

263. It is possible to conceive of the entire process of organization environment relations in terms of transactions exchanges of goods and services, and of power and influence. From an organization viewpoint, transactions are the relational activities through which resources and mandates are procured and purposes are pursued. Transactions are the substance of an entity's linkages with its environment; they may lead to organizational growth or attenuation; and they shape as well as manifest institutional qualities.
264. Institutionalization: The question of when the institution building process has been completed frequently arises. Criteria for identifying that point have been suggested by a large number of scholars in the field. In fact, a substantial portion of the institutional-organizational literature deals with this concept of institutionalization.
265. The thrust of the institution building theory concerns the locking in of the organization into its environment. As the outputs come to have perceived instrumental value by clientele groups in the environment and/or as the organization acquires intrinsic value vis a vis those clientele groups, it is becoming institutionalized in the environment.
266. Institutionalization is the process by which organizations and procedures acquire value and stability. Institutionalization is the process through which human behaviour is made predictable and patterned.
267. Institutionalization consists of the following three basic processes:
  - the organization of new clusters of roles,
  - the diffusion of the symbolic meaning of roles and clusters of roles, and

- the infusion with value, a process in which, as the newly organized patterns continue to be successful, they take on value in and of themselves.
268. In recent times it has become common to refer to the assistance provided by technologically advanced countries in organizing administrative structures in developing countries as institution building. This monstrosity of administrative nomenclature reflects ignorance of the sociological meaning of institutions. Buildings can be built as can hierarchies of formal roles within formal institutions; institutions are complexes of roles that develop in spontaneous processes.
  269. Formal administrative units are usually the product of conscious and rational behaviour; institutions are only rarely so. Formal organizations become institutionalized, however, when they take on symbolic and normative meaning.
  270. The integration of expectations of the actors is a matter of the degree, not a matter of pressure, and that integration comes through a high degree of interaction. When an organization became an institution, then the organization had been transformed into something with greater values and relevance to its own society.
  271. The concept of institutionality denotes that at least certain relationships and action patterns incorporated in the organization are normative both within the organization and for other social units, and that some support and complementarity in the environment have been attained.
  272. Within this rather generalized definition a number of tests of institutionality are identified, among them ability to survive a necessary but not sufficient condition of institutionality; being viewed in its environment as having intrinsic value which in turn can be tested by the autonomy the institution has gained; the influence which it exercises; and the spread effect of its activities whether specific relationships and action patterns embodied in the organization have become normative for other social units with which it interacts.
  273. The end-state of institution-building efforts characterized by the following conditions:

- a viable organization has been established which incorporates innovations;
  - the organization and the innovations it represents have been accepted and taken up by relevant groups in the environment.
274. The process through which values and goals come to be shared and social relationships and actions become normatively regulated is defined as institutionalization. In other words, when values, goals, social relationships and processes evoke patterned responses among the participants in an interaction process, they have been institutionalized.
275. Institutionalization is the process through which organizations are given structure and social action and interaction are made predictable. Through institutionalization human behaviour is made predictable and patterned, social systems are given the elements of structure and process of function. As each invention or practice is accepted or rejected as part of the group's life, institutionalization of relationships concerning it takes place.
276. Institutionalization is the patterning of social structure and processes. It appears that he does not view the value aspect of a new invention or practice as being institutionalized. In our view the acceptance of an invention or practice is in itself an institutionalization process. The acceptance of a new technology is not only a cognitive, rational process. It involves attaching significance, utility, or value by the members of the group, so that their behaviour toward it can be determined and relevant social structures and processes can develop. Institutionalization is to infuse with value beyond the technical requirements of the task at hand.
277. One of the most unfortunate residues from colonialism in developing nations is the fact that colonial institutions often came to be valued for their own sakes, to be seen as having some intrinsic value which raised them above the challenge of assessment in terms of their usefulness in fulfilling social purposes.
278. Once an institution is so viewed, attempts to alter it become singularly difficult. The near-mystical sense of intrinsic value which has been generated precludes a call upon rational bases for change, and outmoded institutions remain as barriers to



development. The important ingredient in the institutionality sought for development purposes is that the organization, while retaining its own identity, not lose its capacity to adapt to changing circumstances.

279. One of the most difficult tasks which the many institutions have faced as an agency for social change was that of de-institutionalizing educational patterns which many strategically placed persons continued to justify as having merit in themselves rather than as having relevance in a particular social context or being answerable to the instrumental test of how well they served social purposes.
280. When we speak of institutionality it is of a human phenomenon that we are speaking; of the success of a human organization in meeting the hopes and aspirations of the people it serves, in capturing or being captured by their dreams, in becoming valued.
281. Institutionality is, of course, not only a matter of what professional educators who have devoted a lifetime to the shaping of society think and feel; it is a matter of what the new generation of teachers think, what the politicians and kingmakers accept, expect, and reward. It is a matter of what its own immediate offspring (or products in the terminology of the modern economic world) feel and think about their parent.
282. The essence of institutionality is meaningfulness. An entity is an institution to the extent that it is meaningful to its participants to those directly involved in it, and those who perceive themselves as being affected by it.
283. Meaningfulness is not itself a highly meaningful term. In a broad manner of speaking, a meaningful entity confers something upon its participants and it is valued as a source of value. An institution may grant status. More basically, it may interpret existence and grant identities which have status components.
284. It may articulate and enforce acceptable rules by which to regularize conduct and premises by which to perceive and interpret phenomena. An institution may confer competence upon participants who may value it for its personal effects upon themselves their personalities and their abilities to attain

fulfilment. It may be a prime means for the assertion of values cherished by participants particularly those with important roles within the institution.

285. To the extent, however, that an organization is merely perceived as one of a series of alternative instruments by which values may be asserted and conferred, and to the extent that the particular instrument is seen as having few distinguishing attributes that make it more desirable or preferable to equally available means for the enhancement of value to the extent that this circumstance attains, prospects for distinctive institutionalization are limited.
286. Thus, it is helpful to define as institutionalized capacity the work that an organization can perform under specific future conditions which is not fundamentally dependent upon the incumbency of any particular individual within the organization. This capacity inherent in the organization stands in sharp contrast to what might be called personalized capacity which depends essentially upon the incumbency of particular individuals.
287. The institutionalizing process adheres to certain postulates.
- First, society consists of an institutional structure in which the institutions interact with each other.
  - Second, as a result of the relationships between institutions, values and norms emerge which determine the functional behaviour and structural composition of the institutions.
  - Third, it is a process in which change may be consciously introduced through creating new institutions for this very purpose.
288. One test of institutionality consists in an organization's ability to survive. This may, of course, not suffice. Survival at the cost of compromising and forfeiting most of the innovative elements would hardly establish the viability of innovative organizations.
289. Furthermore, the survival of an organization qua organization need not be at issue at all. Other institutional arrangements may become the receptacles and protectors of the new values, functions, actions, and technologies. The original organizational format may come to an end of its useful societal function, and its

redesign or even the dissolution of the organization may become both necessary and desirable.

290. The second test of institutionalization, as a process, concerns the extent to which an innovative organization comes to be viewed by its environment as having intrinsic value. Some of the parameters of this test include autonomy and influence. The former has to do with the capacity of the organization to control its own destiny, and thus to establish rules and procedures which may be independent from the larger system of which it is a part; the latter deals with an organization's capacity to acquire and use resources without being subject to detailed scrutiny of specific operational items; and it has to do with the organization's ability to defend itself against attacks and encroachments on its values and its patterns of behaviour by falling back on the acknowledged intrinsic value of the organization.
291. The problem of influence, in turn, has to do with the degree of impact which an innovative organization can wield within the society in its particular functional area of responsibilities, and with the extent to which it can enlarge or confine its sphere of action both within the organization and outside.
292. The third major test of institutionality concerns the extent to which the innovative patterns embodied in the organization become normative for other social units. This is a way of looking at the diffusion- or spread-effect of the innovations thus introduced into the larger social system.
293. Viewing the concept of institutionality in terms of the extent to which an institution's relevant publics prize it, the following criteria of institutionality has been developed:
- the use made by publics of organizational outputs and services,
  - verbal approval from these publics,
  - survival and growth of the organization,
  - support from other organizations,
  - autonomy, and
  - spread of innovative norms to others within the environment.

294. Technical Assistance in Institution Building: A rather extensive amount of literature exists concerning technical assistance. Only that portion of it that is explicitly focused on institution building is included here.
295. Technical assistance is first of all purposive; it can be easily separated from traditional diffusion and acculturation which has been occurring among cultures for thousands of years.
296. Technical assistance is cooperative. It requires agreement on purpose and means, between a donor agency and a recipient government. Either party participating in technical assistance is free to withdraw or to allow activities to languish until they are terminated.
297. Technical assistance involves an international transfer of knowledge and skill through individuals or agencies of a donor, and with a defined relationship to individuals, groups or organizations of a recipient in the accomplishment of mutually agreed objectives.
298. Technical assistance carries the distinct implication that:
- The change is to be facilitated by a group of foreign technicians for the specific purpose of building or altering an indigenous institution;
  - The change process is to be deliberate, induced and rapid. The significance of this can be appreciated by observing that intercultural change is common in history and institutions are continually changing, even autonomously.
  - The characteristic of technical assistance programmes that make them unusual is that they specifically set out to telescope these long-time, autonomous processes into a short-run, deliberate procedure, largely under the volition of the changer.
- An abbreviated definition of technical assistance is provided as the inputs, usually coming from a second country.
299. Revolutionary elites have frequently sponsored the transference of many kinds of non-indigenous organizational forms, notably factories, armies, bureaucracies, and schools. In these, officials have endeavoured to create by mass education the requisite occupational skills with little thought given to the subtle connections between discrete occupational roles or to the social

relationships of workers and staff. Technical assistance programmes should deal with these social connections, but most often training focuses on inculcating the required technical skills and not on the interactions among individuals possessing those skills.

300. Systems, Strategies and Tactics: In a small but significant portion of the literature institution building is viewed from a systems perspective. As a consequence, some of the concepts of systems analysis are worth defining.
301. System theory is basically concerned with problems of relationships, of structure, and of interdependence rather than with the constant attributes of objects.
302. Older formulations of system constructs dealt with the closed systems of the physical sciences, in which relatively self-contained structures could be treated successfully as if they were independent of external forces. But living systems, whether biological organisms or social organizations, are acutely dependent upon their external environment and so must be conceived of as open systems.
303. Our theoretical model for the understanding of organizations is that of an energetic input-output system in which the energetic return from the output reactivates the system. Social organizations are flagrantly open systems in that the input of energies and the conversion of output into further energetic input consist of transactions between the organization and its environment.
304. The use of system here, as an assemblage of elements that have ordered and recurrent patterns of interrelationships built around definable objectives or purposes, is not dissimilar to its usage by economists and sociologists. The systems view may be used at different levels of aggregation and for various purposes. Organizations, and often, groups of organizations, interact as systems.
305. In this context let us define a system as a bounded, goal-directed social unit consisting of a set of interdependent elements and maintaining an exchange relationship with the environment. Interdependence specifies the determinate relationship among the variables as contrasted with random variability. Elements

refers to all physical and social phenomena, be they concrete physical objects, structural relationships, or processes necessary for the operation of the system. For analytical purposes we are only concerned with conceptually identifiable variables, either given to measurement or definable in some other meaningful manner.

306. A feature of the system approach is that it clarifies the relationship of functionally related phenomena, regardless of the categorization of the variables in the system by classes of objects, processes or functions in the aggregate sense in a larger universe. Another aspect of the system approach is that it allows for the analysis of interaction and interdependence of otherwise conceptually disparate elements and the effect of changes of one variable on others. Although the elements or variables of a system are interacting and interdependent, they are not viewed as being in a state of constant equilibrium. If, however, the state of one variable in the system undergoes a change, then to continue functioning-one or more other elements must also change, either in nature or in their intra-system relationship. This, in fact, helps to define the system.
307. Two more specifications must be made about systems in terms of their relevance to development theory. In the first place development is action-oriented. Thus, we are more concerned with the dynamic aspect of production or output of the system, acting upon certain inputs. The system in which we are interested, in other words, is an instrumentality with goal-orientation. Secondly, our systems are open, they are in interaction with their environment; the variables are subject to influences from outside, while the systems as entities interact with other systems.
308. The best approach to a system is to identify the trouble spots, and especially the places where there is waste, e.g., unnecessarily high costs, and then proceed to remove the inefficiency.
309. There is an objective way to look at a system and to build a model of the system that describes how it works. The science that is used is sometimes mathematics, sometimes economics, sometimes behavioural (e.g., psychology and sociology).

310. The systems are people, and the fundamental approach to systems consists of first looking at the human values: freedom, dignity, privacy. Above all, they say, the systems approach should avoid imposing plans, i.e., intervention of any kind.
311. Any attempt to lay out specific and rational plans is either foolish or dangerous or downright evil. The correct approach to systems is to live in them, to react in terms of one's experience, and not to try to change them by means of some grandiose scheme or mathematical model. There are all kinds of anti-planners, but the most numerous are those who believe that experience and cleverness are the hallmarks of good management.
312. One element of systems analysis that tends to be common in each of these schools of thought (at least in the first three) and that is applicable for institution building is feedback.
313. As the system affects the environment, Systems gather information about how they are doing. The information is then fed back into the system as inputs to guide and steer its operation. This feedback is essential for the maintenance of goodwill between the system and its environment. Thus institutions aspire to attain both internal and external equilibrium, and goodwill for their own survival.
314. The basic element of this feedback process involves:
- the orderly collection of information about the functioning of a system;
  - the reporting of this information into the system;
  - the use of information for making further adjustments.
315. The agent of change places himself into a position to receive and evaluate information about the significance of the client system's behaviour. He then transmits this information to the client system in order to stimulate an awareness of the need for change.
316. Although not always used in a systems context, a number of definitions of strategy and, to a lesser extent, tactics are found in the literature. Several of these are worthy of note.
317. For the effective use and maximum impact of technical assistance resources, something more than gross guesswork is

needed in institution-building efforts. Borrowing from military terminology, perhaps what is really required is a strategy a technical assistance institution building strategy. As commonly used, a strategy is a planned dynamic sequence of actions directed toward the achievement of determinate objectives. The strategy is future-oriented, sequential, goal directed, time bound, and reflects the full sweep of cognitive and valuational considerations. For technical assistance projects, strategy thus denotes a plan for sequencing technical assistance activities to achieve specific institution-building objectives.

318. The concept of a technical assistance strategy is applicable at several different levels within any given institution-building project. One type of strategy might govern the day-to-day actions of technical personnel. Such a strategy would serve as a cookbook for individual technicians. It would consider aspects such as personal adjustment to foreign cultures, establishing social and technical rapport with host institution personnel, developing effective counterpart relationships, guidelines for effective advisory techniques and the like.
319. Another type of strategy might serve as a guide to administrative personnel in institution-building projects. Its concern would be optimal institutional organization, personnel administration, programme structure and similar issues.
320. Strategy is also the pattern of objectives, purposes, or goals and major policies and plans for achieving those goals, stated in such a way as to define what business the company is in or is to be in and the kind of company it is to be. This definition will serve our purpose if we substitute the word "institution" for the word company. Strategy is concerned with the major decisions, usually long-term in their implications, which set the general direction of the institution.
321. Another purpose of strategic planning is from the point of view of implementation, the most important function of strategy is to serve as the focus of organizational effort, as the object of commitment, and as the source of constructive motivation and self-control in the organization itself.
322. Strategic planning of institutions involves a series of major decisions which do not occur in a definite sequence but, rather, overlap. The planning is not necessarily formal and systematic;



in general practice, even in progressive business firms, it consists of both predetermined lines of action and a series of ad hoc decisions. In fact, one of the major issues in planning is the appropriate degree of predetermination as opposed to maintenance of flexibility to meet changing and unforeseeable situations.

323. In general terms strategy refers to the planning and directing of operations; while tactics relates to the maneuvering of forces into positions of advantage. Both aspects involve manipulation and should be treated somewhat together. Manipulation is the substitution of judgement in such a way that those influenced are not aware that it is happening. Although this process may be known later, it is not known while the manipulation process is taking place. Manipulation is accomplished by a controlled distortion of the appearance of reality as it is seen by those affected. The actions of those influenced are based on their own judgement of what they perceive, but they are permitted to see only those things that are calculated to call out the kind of judgement desired by the control agent.
324. Strategies: These deal with the main forces of planned organizational change; they determine the general direction along which the change movement should be directed with a view to achieving the best results with the developing correlation of forces.
325. Tactics: These are part of strategy (or strategies), subordinate to it and serving it. They are methods used to achieve the directive of strategy. As such, they demand a constant appraisal of existing social potentialities and must be adjusted according to the rise and decline of social forces. The implementer of change must devise tactics best able to promote the overall objectives of the fundamental strategy. It is never really possible to say where tactics leave off and strategy begins, but the distinction does exist between day-to-day operations and broad policy directives.
326. In addition to the concepts discussed above, there are numerous other terms that must be specifically defined in order to thoroughly understand individual contributions to the institution building literature. A number of the important terms

are presented below, although this is not an exhaustive list, rather this is only an illustrative list :

- Change Agent: One who deliberately works toward inducing change through creative thinking and innovations.
  - Client System: This major class heading refers to the specific system, community, organization or group that requests help by an agent of change and desires change in order to achieve improved performance.
  - Innovations: New technologies, new patterns of behaviour, or changes in relationships among individuals or groups.
  - Normative: Relationships with organizations that share an interest in social purposes.
  - Openness: The belief that change is desirable and possible. Willingness and readiness to accept outside help. Willingness and readiness to listen to needs of others and to give help. Social climate favourable to change.
  - Structure: The degree of Systematic Organization and Coordination:
    - of the resource system
    - of the user system
    - of the dissemination-utilization strategy.
  - Synergy: The number, variety, frequency, and persistence of forces that can be mobilized to produce a knowledge utilization effect.
  - Variables: The various ingredients or elements that identify each institution in varying degrees are referred to as institution variables, which are essentially concerned with the organization itself, and the linkage variables, which are mainly concerned with external relations.
327. The cost of an institution consists of the pain felt by the power group in forming it. This may include sacrifice of resources, prestige, values, or even life (in a revolution). Cost also includes the effort to overcome the resistance of others, by either coercion or persuasion. Such cost may include the attempt to increase the cost to others of maintaining archaic institutions that conflict with the ones the power groups wish to establish.

328. Institutions are also the suppliers of services. Changes in these services and, hence, indirectly through them in institutions that produce them, may constitute the prime targets of growth-sensitive power groups.
329. The institution is treated as a supplier of a service which has an economic value. It is assumed that the process of growth alters the demand for the service and that this alteration in the demand brings about a disequilibrium between the demand, and supply measured in terms of long-run costs and returns.
330. Each value sacrifice thus involves both cost and benefit. Values that are more cherished are more costly. They will be sacrificed only if the benefit is great. Less cherished values are easy to give up, but they may or may not yield much increment in product.
331. Ideology lies among the values difficult (hence costly) to change. Since institutions conforming to divergent ideologies may be equally effective, it is sometimes not necessary to sacrifice an ideology; rather, the institution conforming more closely to it is selected.
332. Where two institutions are not perfectly substitutable for each other, the one with the greater marginal output in proportion to its costs will be selected.
333. The takeoff period is one of tension, as growth-sensitive groups vie with growth-resistant groups for support. The danger of violence lies in the fact that social institutions have not been formed to cope with this type of conflict. Sometimes growth-sensitive groups select coercive instruments in order to eliminate an opponent who would otherwise not join in the consensus. If he is eliminated completely (e.g., executed or permanently exiled), this ploy may be successful. The principal problem of violent revolution, however, is that it is impossible to eliminate all opponents completely. Revolution often divides people more than it unites them, making their absorption into the consensus even more difficult later.
334. The takeoff period is further complicated by conflicts among growth-sensitive groups, principally over how political power and increments of national product will be shared. Inability to resolve or manage these conflicts lengthens the takeoff period,

preventing or delaying the formation of post-takeoff values and institutions.

335. Thus it may be concluded that the institutionalization of a system creates the possibility that anti-systems, or groups with negative orientations toward its premises, will develop within it. While the nature and strength of such anti-systems may vary, as between different institutional (i.e., religious, political) systems and between different types within each, and while they may often remain latent for very long periods of time, they also constitute important foci of change, under propitious conditions.
336. The existence of such contradictions or conflicts among the different institutional spheres and among different groups does not, of course, preclude the possibility that the system will maintain its boundaries more or less continuously, through a hierarchy of norms and accommodation or partial insulation of different subsystems, and that a definite order and stable relations among the system's parts will persist. But the possibility of conflict and potential change is always present, rooted in the very process of institutionalization, and the direction and occurrence of change depend heavily on the nature of this process.
337. Just as the predilection for change is necessarily built into any institutional system, so the direction and scope of change are not random but depend, as we have shown in discussing the processes of change in the Empires and in the great religions, on the nature of the system generating the change, on its values, norms and organizations, on the various internal forces operating within it and on the external forces to which it is especially sensitive because of its systemic properties. These various forces naturally differ between religious and political institutions and among different societies, but sensitivity to these forces and the tendency to change are inherent in all of them.
338. Administrative policies take on increasingly secular tones, government agencies lose the legitimacy they once enjoyed. Deprived of traditional support, yet more developed than the other modernizing institutions, agencies do not easily achieve synoptic relations with the masses of people. In contrast to

modern states, the decline of the class basis of the bureaucracy reduces its prestige and therefore its effectiveness to gain the respect of those adversely affected by modernization and most in need of help to adjust to a changed social order.

339. Two priorities of the revolutionary elites typically affect their strategies. These have been implied in the foregoing discussion, but now must be made explicit. First, revolutionary elites seek to induce radical and rapid social development with a principal, if not an exclusive, emphasis on technological change; and, second, they desire to maintain or strengthen their current positions of power irrespective of the changes wrought in their societies.
- The first priority causes them to reject accommodation with the pre-modern elites who usually oppose any fundamental social changes in the direction of modernization.
  - The second leads them to obstruct the rising power of the more technically trained successor sub-elites.
  - The particular social groups and classes included in the three elites may vary, but the significant general patterns usually reflect the modes of competition among these three types of elites.
340. Each elite places the cloak of nationalism around its pronouncements and its image of the requirements for social welfare and national unification. Technology constitutes an important means for the revolutionary elite to maintain its power and realize its dominant political goals. The revolutionary elite also joins the successor sub-elite, which it oversees and fosters, in assuming that the essence of modernization is technological development. But, for the successor sub-elites, technological advancement signifies the broadening of social wealth and the increased opportunities for acquiring power.
341. The competition between the revolutionary elites and the successor sub-elites thus centers in that part of the political system that controls the economy. Both of these elite groups seek to diminish the residual power held by the premodern elites. In virtually every case, socioeconomic development constitutes a complex struggle for power.

342. When agriculture acquires a growth momentum, the dynamics of that growth will induce farmers in these parts of Asia to demand institutional adjustment. They will demand a larger supply of credit, with stress on its timeliness and terms, and they will organize cooperatives should these be necessary for this purpose. They will demand more flexibility in tenancy contracts. They will join with neighbours to acquire tube wells and to undertake minor investments to improve the supply of water. Both tenants and landowners will also use whatever political influence they have to induce the government to provide more and better large-scale irrigation and drainage facilities.
343. Also using an agricultural illustration, a system or network of institutions exists within a sector of an economy. This network, with its component forward and backward linkages, makes possible the developmental leverage afforded institutions as strategic catalysts of the development process.
344. At the start, in most less developed nations, little attention was given to the development of a system of services. Rather, almost total energy was devoted to the development of a series of services, and only minimum attention was given to the need for the development of a functioning system with adequate linkages between the various newly created institutions.
345. Those responsible for developing an institution to provide a new service often have little understanding of other services which are being introduced, and each group tends to confine itself to its assigned task. Only recently has research on institution building and agricultural development revealed the importance of building a system of services to support agricultural development.
346. Technical assistance and indigenous personnel alike are often frustrated when the development of one institution designed to remedy a constraint within an economy does little more than provide an opportunity for another poorly developed institution to substitute as the effective constraint. Consequently, the layering of institutional constraints often misleads individuals who feel the elimination of one institutional barrier represents a panacea for transforming traditional agriculture.

347. An empirical methodology for identifying networks of linked institutions and the power positions of such institutions within a system is provided by the experts where they describe their approach to forming an institutional sociogram as follows:
- Despite our recognition of the interdependency of organizations, it is rare to find sociological research that penetrates inter-organizational phenomena. Our primary objective, therefore, was to develop a methodological approach for use in the study of the inter-organizational relationships of a society. We did so within a developmental context.
348. A new institution in a developing country with an explicit programme for selection, training and placement of staff, will, in many instances, be a unique resource for providing new cadres of leadership throughout the society.
349. An institution in takeoff need not conform exactly to existing values. Since the conflict to which it is addressed is new, the institution is bound to strain values in order to encompass it at all. There are, however, psychological limitations on the amount of strain a society can accept. Even after a violent revolution the forms of new institutions are influenced by the previous value framework. However, after the institution has lived for awhile and come to be accepted in the community, then values have changed, and a new institution similar to it (according to the institutional dimensions) can be created. Indeed, the new institution can strain values further, and ultimately even the pace of strain may be accelerated. When a society becomes accustomed to having its values strained that is, becomes change-oriented then the strain involved in change may itself become a value.
350. While late modernizers experience advantages because of the existence of external models, transfer of these models creates strain. Transfer can never take place without some distortion or change. Out of the complex of behaviours in a transferred model, only a limited number can be selected by the donors for emphasis. Similarly, out of the large number of elements suggested by a model, not all will be understood or accepted without change by the receiver. The organizational reality, as it takes form in the modernizing country, represents a version that is different from the original model.

351. Another source of variation during transfer results from the fact that institutions develop within a cultural framework and reflect the preoccupations of that culture. While a bureaucracy may be a bureaucracy, the manner in which it works will be conditioned by the culture of the bureaucrats. In transferring institutions, a process of modification can be expected to take place as institutional elements filter through the culture of the receivers. Because the interrelationships between roles in transferred institutions are required to develop rapidly, yet cannot do so, considerable problems are experienced; roles are found to articulate badly. New interrelations between the roles are worked out in time but vary from the original model, and strain is experienced until the new relationships are institutionalized.
352. The educational institutions have not moved easily and painlessly from their foundation in response to criticism and challenge is true. But they moved, not uniformly, not at the same time, and not with equal willingness. There was progress in achieving balance between cultural and functional objectives. The university as a place for academic specialization, for an undirected pursuit of knowledge and its unchallenged expression, sought increasing room for a role and design directly and functionally related to jobs, the process of production and the generation of wealth.
353. The educational institutions have clearly begun to accept an explicit and intentional, as opposed to an implicit or incidental role in the immediate task of national development. There is a more sincere effort to do honour to the concept of relevance to an environment still greatly lacking in literacy, science, a distribution of modern skills, and habits that underlie productivity and accept innovation. Such changes bring pressure on the universities to modify the three forms of status to which they so readily succeeded their position as an enclave within the limited modern sector, the recruitment of a student body increasingly favoured by socioeconomic forces, and the emphasis only upon standard fields of learning leading to the standard professions. Such effort measures also the progress of the universities toward assuming shapes and functions that are adequate and responsive to their own time and their own place,



without concern for invidious comparisons or labels of secondariness.

354. Development affects the distribution of power in the society and opens up new channels of access to positions of power. The close relationship between development and the struggle for power frequently causes the revolutionary elites to impose ideological constraints on developmental activities as part of their efforts to sustain their position and contain divisive forces. These constraints tend to narrow the outlooks of the revolutionary elites, causing them to emphasize unanimity and conformity. This emphasis conflicts with the motivations fostered among the youth with respect to achievement and means-orientation.
355. Ideological formulations may thus exaggerate the conflict and produce a generational split. Under some conditions, the desire to maintain ideological purity may so far outweigh that for rapid development that developmental goals are replaced by regulatory goals. This has been a typical way in which politically induced change has been limited or diverted. In some cases, it has been the way in which such change has been completely subverted or negated.
356. Successful completion of takeoff depends on two requisites. In the first place, growth-sensitive groups must gradually pervade society, either eliminating others or winning them over. Thus, consensus on growth as a dominant goal is achieved. In the second place, the groups must learn that the sum of their immediate goals exceeds the nation's capacity to accommodate them, but that no groups goals will be achieved until all groups goals are partially met. It is preferable to sacrifice one's immediate goals rather than permit continued conflict to violate the dominant goal of growth. Thus groups must agree on priorities. At this point, society turns to the formation of a dominant set of conflict-resolving values on which to form consensus.
357. Institutionalized institutional change is brought about by the innovative use of institutionalized power to resolve social problems. Social problems occur as a consequence of strain meaning a perceived inconsistency, or incongruence, in institutional arrangements. Strain thus reflects either the inadequacy of equilibrative mechanisms or emergent

dissatisfaction with equilibrium itself. In the context of growth, strain is most likely to reflect the occurrence of diminishing returns in one of its many possible forms.

358. Strain means that a state of affairs perceived by some elements as unsatisfactory poverty, ignorance, racism, corruption, for example has been institutionalized because of the inability of equilibrative mechanisms to eliminate the causes of the dissatisfaction. Hence institutional change, innovation, is required to eliminate strain. But innovation, unlike equilibration, is not and cannot be subject completely to an institutionalized frame of reference. By definition, standards to guide it and limits to check it are both missing in greater or lesser degree. The moral order, to be sure, provides certain standards for, and sets certain limits on, the possibilities of pragmatic innovation, and vice versa, but the applicability of the standards and limits is seldom clear and precise. That is one reason why innovation is never perfectly institutionalized, never wholly predetermined. A more important reason is that the processes of institutionalized change operate on the initiative and at the direction of the power structure or with its tacit approval.
359. Economic growth generates new conflicts, which continuously call for new institutions. In a static model, the choice of optimal institution-types depends entirely on existing values. But institutions so chosen are likely to be ineffective (apparent solution lines far below physical), since the values to which they conform were not evolved with the new conflicts in mind. Contestants will be vaguely aware that a physical solution line lies somewhere out there, and they will seek more effective institutions.
360. In seeking more effective institutions (an outward shift of optimality as values change), power groups ordinarily choose among many directions, for there is no unique path to effectiveness. Normally they select those institutions that yield the greatest marginal economic growth per marginal unit of sacrifice (to the power groups themselves as they push out on the dimensional continuum).
361. Successive institution formation leads to selection of an ideology because each choice makes easier a subsequent choice of the

same kind of institution. To justify all choices, a nation is led into an ideology. By direct pursuit, on the other hand, power groups select an ideology and form economic and political theories to support it. Since it is difficult for a nation to form consensus on ideology until it has had experience with other types of consensus, and since popular nationalism is a relatively low-cost object on which to form consensus and one that fits in closely with ideology, takeoff countries usually expend great sums on the promotion of nationalism. Some of these sums represent resource sacrifices that physically retard economic growth (as, for example, the rejection of foreign investment). These sacrifices, which puzzle foreign intellectuals of other ideologies, may nevertheless constitute the least costly path to maximum net economic growth.

362. Post-takeoff norms and institutions have a different character from those of the pre-takeoff stage in that they depend for their survival on continued growth. Once the social system learns how to manage the conflicts of growth, it discovers that it can manage them only if there is continued growth. More and more, conflicts become positive-sum games. The question is not one of who will win and who will lose, but of how much each will win. More effective institutions lead to efficiency in conflict management, and more and more solutions become Paretian-optimal (the point at which all positive-sum moves are exhausted). Exile for the loser gives way to loyal opposition.
363. What are the implications for individual institutions as a consequence of the changes that occur during a nation's takeoff? In so far as each institution represents a component of a larger institutional system or network, it is obvious that there will be some implications. Clearly, for those institutions which employ as inputs some of the outputs of other changed institutions in the network, this development is one of the inevitable disequilibrating forces. Similarly, changes demanded in the outputs of traditional institutions as a consequence of changes that have occurred in other using entities in the process of modernization have implications for the output mix of the traditional institution.
364. Two considerations are noteworthy in dealing with this question. The first is that there is a decision to be made with regard to the

combination of outputs, i.e., the production of one output may be competitive with the production of another. The other point is that analytical techniques are available for aiding in the determination of the desired output mix.

365. Frequently, observers view institutions in traditional societies critically due to the lack of progress in building the institution as a force for development. All too often these critics fail to recognize that except for very narrow ranges of complementarity there is direct competition for resources between the production of current services and institutional reinvestment outputs. Tradeoffs must be made. In traditional societies, where future output is discounted very heavily, emphasis on the production of a large amount of current services is entirely realistic. Frequently, some exogenous force must be brought to bear on the system in order to alter this output mix. These disturbances can range from the availability of technical assistance teams to natural disasters, e.g., drought.
366. In the private sector market-oriented firms conceptually have relatively little difficulty in determining their combination of outputs. However, in the public sector institutions do not exchange their outputs in price oriented markets. Nevertheless, an exchange is made and the institution markets its products. The relevant consideration at this point is not a set of prices (which merely reflect the preferences of consumers for one good relative to other alternative goods) but rather the preferences of key decision makers in the society reflected by their indifference curves formulated with regard to alternative system outputs and the possible consequence of shifting indifference curves on combinations of output. This can result from exerting influence on key decision makers in the larger society with regard to their preferences concerning combinations of system outputs. Frequently, this takes the form of providing new information to key decision makers with regard to what is being done in similar institutions elsewhere. Identification of key decision makers and providing them with additional information may represent a crucial initial element in an institution building strategy.
367. Not only are changes in traditional institutions triggered by changing output demands, but also by modernizing elites within

individual institutions who see the institution as a potential means of influencing the larger environment.

368. The genesis of institution building is in the minds of a man or group of men. The beginning of the social change process is always the same. It is either the response to a distortion in the social system created by the uncoordinated changes of its elements, or it begins with a vision of a state of affairs preferred to the existing reality. In the developing countries today engaged as they are in a process of rapid transformation to catch up with the modern industrialized parts of the world both situations can be found in abundance. Modernizing elites, motivated by a sense of urgency to improve the standard and quality of life in their countries and by drawing on values, experience, and technologies of the advanced countries, develop a vision of the preferred state of their society or an aspect thereof. Once these new values are accepted in the society or in segments of the society, once new programmes of action and new social and physical technologies have been implemented, new conditions have been created which may result in further changes.
369. The new or reconstituted organizations in which and through which the innovative leadership embodies, fosters and protects the new values, norms, and technologies, are the vehicles of change. The institutions forged by the agents of change are the instruments of innovation. Whereas the origin of innovation is a reconfiguration of values, objectives, and means taking place in the minds of the change agents, the institutions which they create are the operational expressions of this reconfiguration. In the structure, process, and functions of the institution they translate their ideas into reality. The immediate target of the change agents, then, is the organization into which they introduce their innovations.
370. By the activities and output of the organization the innovators attempt to have an impact on the environment. The organization becomes in this manner an instrument and an extension of the individual or group of individuals who constitute the innovative leadership. They create in the organization a stable reference point, intended to represent the values, action and behaviour patterns which become normative in the environment.

371. The ultimate target system of the innovators is the task environment. This task environment consists of those organizations which enable an institution to carry out its operations, those which are complementary to its operations, and those which embody and protect values and norms relevant to the operation of the institution. Only when a task environment has been created which supports the values of the institution, which is complementary to it, and when the norms of the institution are shared by the task environment, can an institution effectively carry out its functions and services.
372. The three elements of our analysis, then, are :
- the change agents or leadership group which creates or innovates the organization;
  - the organization as the intermediate target system in which and through which new values and technologies are introduced; and
  - the task environment as the ultimate target to which new norms and values are spread to create a compatible and complementary environment for the institution to perform its functions and services.
373. These cases thus confirmed the salient character of the leadership function, the prospects for success associated with competent and committed leadership, and the costs likely to be exacted by inept, uncommitted, and weak leadership. Little guidance was being given on the tactics available to innovators to compensate for inadequate institutional leadership. Yet at the early stages of institution building there appears to be no substitute, no effective way of circumventing inadequate leadership, and the likelihood is that the venture will stall, be reduced to ineffectiveness, or even fail unless adequate leadership is forthcoming.
374. Although the importance of leadership seems to be agreed upon in many of the empirical studies, the importance of the other institutional variables in the framework formulated by Esman et al. seems to vary from institution to institution.
375. It has been the function of doctrine to establish normative linkages between the old and the new, between establishment and innovators, such as would legitimize innovations which

came with the new organization. Doctrine itself could not perform this function; yet it could provide connections which made organizational innovations appear less new, less threatening, and correspondingly more legitimate. It could tip the balance. At the same time that it might perform this function with those publics who would ultimately either institutionalize or reject innovations, it could also provide University leaders with norms or standards which could guide them in projecting programmes, establishing priorities, and assessing accomplishments. It could provide a sense of solidarity and progress so important to morale. These latter functions would be served only to the extent that there was genuine commitment to the doctrine by these leaders.

376. In this consideration of total institution building doctrine three factors stand out. First, the major doctrinal elements of the total institution were matters of firm faith with the top leaders. There has been considerable agreement between leaders of the institution and its most numerous school-related publics as to what the major innovations of the institution were. The students and graduates have not only identified these doctrinal elements but in large part identified with them. They had, in fact, internalized the doctrine and were enthusiastic in viewing themselves as exemplars of the type of education which had been worked out to realize this doctrine.

377. So much can be explained about the institutions teaching management with terms of the confused, ill-defined doctrinal goals that were assigned to it. The leadership and the staff to this day have not succeeded in making them operational to any significant extent. That is a point for speculation. In this case, however:

- doctrine has been ambiguous;
- it has not been understood by the policymakers in the key positions;
- none of them took the time or opportunity (perhaps even had the capacity) to make it better understood;
- doctrine was never clearly related to any specific needs of administration;

- it was never made clear how to identify such needs and thus how doctrine might be adjusted to potential needs or new doctrine evolved.
378. This is to say then that the importance of leadership is a function of the scarcity of resources to achieve collective objectives. To some extent, the two resources and leadership are substitutable. Leadership involves the skilful use of resources. The more plentiful they are, the less important is leadership to achieving a given goal. A corollary is that with a given amount of resources, the more quickly a goal is to be achieved, the more important is the contribution of leadership in formulating productive strategies.
379. The scarcer are available resources and/or the shorter the time in which ends are to be achieved, the more important is the role of doctrine in Institution Building. Doctrine can make the process more efficient and effective by clearly specifying ends and presenting appropriate and productive means. But when resources are scarce or time short, then the more ambiguous are doctrine's ends or the less reliable its means, the less it can contribute to Institution Building.
380. Two organizational elements seem to stand out as critical factors:
- the leadership style and political viability; and
  - the manipulation of structure as a tactical element to build up strong linkages with the environment.
381. Categories which have a certain analytic cleanness do not necessarily reveal the same cleanness when applied as schemes for organizing action. When the scholar becomes educational leader, he is seldom concerned with doctrine per se; he is concerned with the interpretation and implementation of doctrine, and in his hands and in this context the distinction between doctrine and programme loses significance.
382. When this occurs, the search for a distinction is often like trying to locate a shadow line: at times it seems neat and clean, at other times blurred. Such a line has the further unsettling characteristic of being constantly on the move; what today is expressed purely as doctrine has tomorrow been given



programmatic interpretation, and allegiance has spread from the slogan to the programme which has been attached to it. Conversely, what has been introduced on the action level finds need for rationalization, and from this rationalization a new increment is added to doctrine.

383. When operations have begun, a further difficulty develops. On the one hand, doctrine without programmatic interpretation has a hollow ring; one questions if it has real content or meaning. On the other hand, once programmatic interpretation has been worked out, this interpretation begins to usurp the place of original doctrine.
384. The most important functional linkages are with the institution's customers. In an institution heavily dependent upon markets, the enabling linkages tend to merge with the functional linkages, but we shall here treat them as conceptually separate. The mere fact that a market demand has been identified is insufficient to guarantee that the institution's services will in fact be sought. The normal techniques of advertising and sales promotion are only a partial answer to the marketing problem. The expression functional linkage is an apt one, since it suggests that the problem is one of identifying a mutuality between the institution and its potential clientele, that they may serve one another and become increasingly dependent on each other.
385. There has been an overwhelming sensitivity of the institution's leadership, within the authoritarian social structure, to insure support from higher status political and bureaucratic sources. Any felt need to cultivate functional linkages or to identify demands from elsewhere in the environment, or to build linkages with prospective clientele groups, were quite subordinate to the cultivation and strengthening of enabling linkages. Indeed the leadership, as long as it could sustain favourable enabling linkages, had little inducement to build functional linkages or supports in other groups in the society. Thus the problem of managing its environment was not perceived as requiring any real effort from the institutional leadership.
386. It was necessary to keep the institution out of trouble, to avoid threatening any interest which might create problems in its

relationship with its enabling linkages, and this it could do by offering a low key programme which provided useful unthreatening services but made little direct effort at establishing and manipulating relationship within the environment that would make innovational transfer a real possibility.

387. If successful institution building takes place, functional linkages with other recipient institutions provide a positive alternative to enabling linkages by creating a pattern of legitimate interdependencies and giving the organization a needed measure of autonomy.
388. As regards normative and diffuse linkages, the recipient society seems to make more consistent efforts than technical assistance. This was the case for mass media support where the percentages were 30 and 40 respectively. Also, consistent mass media support by the recipient resulted in a somewhat higher percentage of successful projects than did technical assistance encouragement although both were high.
389. Again, one can tentatively conclude that when considering those linkage relationships that come to prominence at the end of the life cycle of the institution building process, the recipient society effort is more effective and vital when compared to technical assistance. Probably technical assistance effort is needed in certain situations, but the specifications of these situational contexts is not possible given the quality of the data and analytical tools now available.
390. There are some other tentative conclusions that are worth mentioning. For instance, where consistent effort is expended by either technical assistance or the recipient society in building a favourable image for the organization, the project always proved successful. One could hazard a guess that this type of activity is not undertaken unless many favourable indications of success for a project are already evident and it is recognized that the creation of a favourable image of the project in the recipient society will further insure success. This linkage relationship occurs at the end of the life cycle process. Hence, it is possible that image building is a function of having personnel and resources free because of the successful conclusion of other activities related to the total enterprise.

391. It is only when relevant publics, instrumental accounting, and transactional accommodation cease to be pivotal concerns of organization- institution leadership and the pressure for survival ceases to be the preponderant factor in decision-making that the essence of Esman's approach to institution building becomes relevant as an operational model. For it is then that one meaningfully speaks of intrinsic valuation of the institution. If the society is characterized by a low level of social mobilization, intrinsic valuation is very much secondary to transactional accommodations, instrumental accounting, and utility maximization of relevant publics and clients in general as an index of institutionality.
392. The first limitation, significant because of its overall importance, relates to the rationale of the field of institution building itself. It stems from the bias that institutionalization is a positive process which is closely related to societal innovation. No matter how intentional this orientation may have been, it seems improper to equate institution building entirely with innovation and positive change. This restriction could, among other things draw attention away from the dysfunctional aspects of the process of institutionalization which have been the object of attention in the literature of the social sciences in general and in the modern organization theory, in particular.
393. The second limitation is the tendency of the model to view the process of institution building largely from the perspective of the institution under study, and from the omission of the role of individuals as linkages in the process of organizational institutionalization. The former view could lead to the impression that institutionalization is a one sided process that depends entirely upon the organization being institutionalized. While organizations tend to devise ways of controlling their environment, total environmental control is never within their power. The process of institutionalization of an organization may be enhanced by the decision of another organization with needs for complementary services.
394. Individuals play other important roles as linkages in the process of institutionalization at least in two additional ways: namely, as prestigious personalities and as carriers of institutional values. Organizations have been following the policy of hiring retired

persons for example, for their Board of Directors. Universities do likewise for their Board of Trustees, and often a president or a chancellor may be chosen because of his prominence in the community and his ability to raise funds when needed. The presence of these outstanding individuals in a given institution constitutes a very important element of attraction of support from other social units.

395. The goal of institution builders is not simply social change. Some change in social, economic and political relationships is likely to occur over time with or without their efforts. The aim of institution builders might better be described as social control. By building institutions, persons should be better able to control the course of change and to accomplish certain desired changes within a shorter period of time than would otherwise be possible. Once established, institutions commonly permit persons to control in some degree the demands for change which arise over time. Thus, institutions may be seen as giving their members some control over time itself. What social scientists seeking to assist in institution building need to formulate and verify are models of social change and social control.
396. The institution-building model provides a helpful way of looking at complex phenomena but thus far has demonstrated limited relevance to policy makers because of its limited predictive power (save in special circumstances such as decisions regarding external aid). It is limited in predictive power not so much because the model is faulty but because we have not yet developed sufficiently sharp analytical tools to find answers to what policy makers need to know and to provide comparability in data between different organizational entities. In short, the institution-building model, at its present stage of refinement, is more analytically elegant than relevant to the real world of public policy in India.
397. Leadership delivers resources: Leadership promotes the doctrine internally and externally. Leadership keeps the internal structure functioning. Leadership mobilizes the organization to accomplish the programme. Leadership establishes and cements linkages with external groups. Leadership is alert to opportunities to incorporate new groups for support, output and acceptance.

398. Doctrine dramatizes the new idea, as well as innovation and change. Doctrine helps to sell a programme and the organization with it. Doctrine defines the goals. Doctrine can generate support. Doctrine helps to define and limit internal and external conflict. Doctrine absorbs ideas and needs and combines them with the new ones to make the organization acceptable in the society.
399. Programme provides impact in the environment: Programme provides visibility. Programme provides vital contact with the environment. Programme is the ultimate testing ground for output. Programme promotes support by the environment of the organization. Programme provides a specific focus for change-oriented activities. Programme provides an identity for clientele and staff and ultimately for the society.
400. Resource mobilization involves using old and new sources: Resource mobilization involves a wide variety of elements, money, people, technology, etc. Resources hold the organization together until it can become accepted. Resources provide internal strength and cohesion in the organization. Resources contribute to autonomy.
401. Internal structure is a key to converting resources to programme: Internal structure is a base for organization mobilization. Internal structure is a device for demonstrating innovative capacity. Internal structure provides a means for resolving internal conflict. Internal structure is a means for reflecting goals and doctrine.
402. Enabling linkages provide power to act: Enabling linkages provide protection. Enabling linkages provide initial resources. Enabling linkages support a new public image.
403. Normative linkages show what values must be observed: Normative linkages can provide support in making new ideas fit present values. Normative linkages define relationships with other organizations. Normative linkages can help legitimize activities. Normative linkages provide the framework for defining objectives in the national institutional structure.
404. Functional linkages provide inputs the organization needs to function: Functional linkages promote the use of what the organization does. Functional linkages help define programme

boundaries. Functional linkages provide opportunities for mutually beneficial support in the environment. Functional linkages reinforce the effect on organizational clientele.

405. Diffuse linkages broaden the base of support: Diffuse linkages strengthen the public image of the organization. Diffuse linkages provide alliances with other change-oriented groups. Diffuse linkages promote an understanding in the society of the goals of the organization. Diffuse linkages help reinforce acceptance by the society.
406. A Guide for Project Designers: The Institution Building model has a limited value if it can only be used for ex post analyses. Analysts and practitioners alike need an analytical capability for preparing strategies for institutional development and predicting the consequences of these approaches.
407. An organization's Balance Sheet can be viewed as consisting of elements of internal asset value and external asset value. Important within the former is doctrine and its closely related concept of staff morale. The latter is the perception of an institution's clients, sponsors, competitors, and others, relatively speaking, within their value systems. Quantitative estimators can be developed with regard to image strength, connotation strength, and endurance of purchasables by using prescribed techniques for identification of these dimensions of an institution.
408. Efforts are being made to quantitatively and precisely assess dimensions of institutions which will permit both their more precise planning and more objective evaluation. While the literature thus far has been impressive, it is far from being exhaustive with regard to the potential that exists. Historians may well record that these efforts made in the revision and refinement stage of the institutional building literature were only first attempts.
409. The Macro Perspectives: The role of institutions in societies, in general, and in their development processes, in particular, has not received the amount of attention in the literature in the current revision and refinement phase as have the more micro-oriented concerns. Nevertheless, some significant insights have appeared with regard to how institutional change within a

market-oriented society occurs. Prior to discussing these contributions, however, the stage needs to be set with regard to the effect of the orientation of donors and the early insights provided by previous writers.

410. Working for the Poorest of the Poor: The NGOs in different countries have been the most explicit in focusing on those in the low end of the income distribution in developing countries. This so-called New Direction has significantly influenced the programming of the NGOs' resources in the last decade.
411. This orientation of important members of the donor community is relevant in that questions have been raised concerning the role of institutions in donor efforts to reach the poor. Unfortunately, because a level of education and sophistication is required in order to develop and direct institutions, some have contended that institutions are elitist in nature and, hence, are irrelevant when programmes are focused toward the poorest of the poor.
412. This contention begs the question of how any continuity and indigenous self-sustaining capacity can be developed within the host countries with regard to dealing with the problems of the poor. Although it has been highly unfortunate, this cleavage in the literature must be recognized. What remains to be said emphatically is that the development of both institutions and programmes to serve those on the low end of the income distribution scale in developing countries is not mutually exclusive. In fact, institutions are indispensable as a means of permanently moving the poorest of the poor to a higher income level if something other than the conversion of the donor community into a welfare community is to occur. The focus of donor programmes on those at the low end of the income spectrum has obvious implications for linkages, programmes, and doctrine of the institutions that are needed in order to generate the capability for dealing with these problems of the times.
413. Induced Institutional Innovation: The changes in the views in institutions is a consequence of shifts in the demand for their services. More specifically he advances a theory of institutional change in which shifts in demand for institutional change are induced by changes both in the relative price of factors and

products and in the technology associated with economic growth, and in which the shifts in the supply of institutional change are induced by advances in knowledge in the social sciences.

414. In applying the induced innovation approach to several case studies, insight is obtained into significant changes that occurred during the growth process. The increases in rice yields and population pressures brought about changes in the tenure institution. In particular, the increase in rice yields was due to the expansion of the national irrigation system and the introduction of high-yielding rice varieties. Even though they were illegal under the land reform code, the number of subtenancy arrangements increased dramatically as a consequence of the pressures due to increased rice yields and population growth.
415. The second induced institutional change that occurred has been the emergence of a new pattern of labour-employer relationships between farm operators and landless labourers. In this instance because of the increased rice yields, for the customary fraction of the crop which labourers customarily received for harvesting rice, farmers demanded that only those labourers who helped with the weeding operation during the rice growing season had a right to participate in the harvesting operation. Although not of an organizational form, this institution did result in changes as a consequence of the economic development that occurred in the society.
416. The theory of institutional innovation in perspective: The public choice literature has been concerned primarily with proving institutional performance through the design of more efficient institutions. It identifies changing resource endowments, interpreted through changing relative factor prices, as an important source directing both technical and institutional change.
417. The final contribution in the macro area has been made contending that the development of an institutional infrastructure is equally, if not more, important than the development of physical infrastructure in order for economic development to occur in a given economic sector of a developing country. Using agriculture as an illustration, he contends that the institutional infrastructure is only as strong as its weakest



link. Hence, the productivity of any given institution within that institutional infrastructure is partially influenced by the relative productivities of the other institutions in the infrastructure.

418. Two approaches appear to have dominated thinking about rural institutions, and both are unfortunately fallacious. The paternalistic approach assumes that rural people are passive and fatalistic, uninterested in improving their lives and incapable of initiative in making improvements. Consequently, everything must be done for them (or to them) in a top-down, bureaucratic manner. An opposing view is the populist approach which assumes that rural people are vitally interested in change and completely capable of transforming their communities if only the politicians and bureaucrats would leave them alone. Both approaches derive from unreal stereotypes of rural people, who are neither as inert and ignorant as the first assumes, nor as virtuous and wise as assumed in the second.
419. Participation: In understanding the performance of local organizations, one key consideration is the opportunity they offer members for participation in decisions and programmes that affect their interests. We do not mean participation in the ex post facto sense that some economists use the term, to describe the distribution of benefits from growth. Rather we refer to ex ante, before-the-fact involvement in the choices and efforts producing growth, which in fact has great influence on who will benefit from the fruits of growth. Local participation can bring useful, locally-based information and local interests into decision processes, and it can reveal and tap previously unrecognized managerial and leadership talents. The opportunity to participate, even when it is taken up by relatively few local people, enhances the legitimacy of local institutions and also of national government, provides a ready outlet for the expression of grievances, and can generate local cooperative and self-help activities for development.
420. Like all good things, participation can be overdone and become unproductive for the welfare of most members of the community. Local organizations can become overpoliticized, immobilized by factionalism, with rural development objectives displaced by struggles for local power and control. Unfortunately, this extreme is often accepted stereotypically as the likely

consequence of participation, especially by administrators who stand to benefit or at least have their lives made simpler by deprecating and eliminating any significant popular participation.

421. Because of the possible outcome of wayward participation, there is utility in maintaining some central power of inspection and enforcement of standards, already mentioned above. There is an equally real danger, that inspection and controls will be used to throttle participation, as seen from the case study on panchayat raj in the Indian state of Andhra Pradesh. The challenge for central government is to encourage and tolerate, even promote, a significant range of participation at various levels of organization, without having it deflect effort from the urgent needs of rural development.
422. The case studies reveal a considerable range of modes of local participation. At one extreme, participation may be manipulated by the central authorities and controlled within narrow regime-determined parameters, while at the other extreme, there can be freedom of farmers to determine how much they as individuals want to participate in the governance of local institutions and on what issues they should attempt to make their voices heard. There can indeed be much or little participation at either extreme, depending on people's response to the pressure, on one hand, or the opportunities, on the other.
423. Observers must guard against culture-bound interpretations of participation which judge farmers meeting for long hours in China or Korea simply as ritualistic or coerced because it is government-sponsored and even ordered, while regarding the same extent of participation in Sri Lanka or Israel as real because it corresponds more to Western ideas of democratic participation.
424. We think it is important whether or not rural people can, by their own decisions, affect the course of government activity, local and/or central, and we consider such participation to be of great value to farmers and their families. But we also recognize the function of less empowered participation, where there can be considerable communication, venting of grievances, solicitation of suggestions, and winning of agreement on what is to be done.

425. Rural China today seems alive and even sometimes adrift with participation, as often thousands of cadres from many communities meet for days on end; put up in schools and shops, using sleeping bags and open fires to sustain themselves, while issues, directives and evaluations are thrashed out.
426. In either case, the morale and enthusiasm of rural people can be heightened by such opportunities, however vicarious in substance and however effective or ineffective in outcome, for involvement in efforts beyond their own private sphere.
427. Our analysis of participation has shown an association, though not a perfect one, between participation in rural development. On the other hand, some success in rural development, can be achieved without much popular participation providing two conditions are met:
- there is an effective administrative system capable of top-down action to influence rural areas, and
  - the center has sufficient resources not to need local contributions. Where administration is not so effective and where local resources must be mobilized for rural development, fairly extensive local participation becomes a requirement for effecting and maintaining change.
428. The more successful cases had engaged much more extensively in decentralization of operating decisions as well as local-level planning. Decentralization is usually more effective if it is controlled rather than complete. It is not an all-or-nothing proposition, but rather a matter of kinds and degrees. Decentralization is best seen and implemented in terms of specific functions, depending on the technologies involved and on the capacity of subordinate levels of administration and organization to perform the functions.
429. Two patterns of decentralization should be distinguished :
- deconcentration of authority for decisions and action within an administrative structure, and
  - devolution, which involves transferring functions and the resources to carry them out from agencies of the center to lower-level organizations not administratively controlled by the central government.

430. There has been stress and emphasis on institution building and the new hypothesis towards a social engineering, implied top down approach to institutional development. The change in approach does not mean, however, that the need for institutionalization will disappear.
431. On the contrary, such a change has profound implications for modifying the use of the institution building principles by those who build and implement strategies for the development of institutions and for the agencies that finance the development process.
432. Institution building practitioners have found that a more participative approach impacts especially on :
- the rule makers at the center,
  - linkage formation,
  - leadership recruitment,
  - doctrine, and
  - strategy formulation.
433. On the whole, rural people are more capable and responsive than the paternalistic model of social change suggests, but less able to change their lives autonomously than the populist model presumes. There is a deep-rooted contradiction in the paternalistic approach to rural development, which expects that passive recipients will become active cultivators and responsible citizens.
434. On the other hand, the populist approach neglects the common fact that entrenched local interests can dominate organizations at the community level unless there are some rules and even controls from higher levels. What should be developed is an institutionalized system which is neither just top-down nor bottom- up nor exclusively governmental.
435. The challenge for the rules makers at the center to formulate directives that will delegate the proper authority yet not enable local power brokers to dominate is a formidable one. In many developing countries where the distribution of wealth is highly skewed, clearly defined rules of the game and continuous

monitoring from the center seem to be essential if the participative approach is to be truly that.

436. Linkage formation and management is stressed in the institution building literature. Indeed, some authorities contend that it is the most important contribution found in it. Some of the early writings infer that this should be given high priority as soon as the organization is in place. However, the more participative approach suggests reversing the order of these two events. Work with key existing institutions and their leaders in the environment should precede formation of the organization even determine the type of organization put in place, if a more participative approach is followed. The implications for time required and order of events in an institution building strategy are substantial and will be discussed subsequently.
437. Leadership recruitment differs considerably under a participative as compared to the traditional institution building approach. Under the former, much of it could be expected in the preorganizational phase. If leaders did not emerge indigenously from the group, those recruited from the outside would likely need to be approved by the organizing group. Clearly, the emphasis on leadership in the literature warrants the early leadership cadre being approved by the organizing group, at minimum, and being selected by them, at maximum.
438. The implications may be greater for doctrine than for any other element in the institution building model. The participative approach has doctrinal implications in and of itself. The motivating function of doctrine should be strong for the organizing group if they feel they largely own the new institution from the outset.
439. Likewise, the clarity of purpose and singleness of vision for an institution should be enhanced by a more participative approach. Clearly, the opportunity to infuse the new institution with value, i.e., institutionalize it, should be expected to be greater for a participative approach than for a top down orientation.
440. Strategy formulation and content for a new institution under a participative approach will differ from the traditional one. Used in the sense of a series of predetermined, time-phased steps

directed toward a specific goal, strategy with regard to formation will differ in terms of the actors who serve as its chief architects in the participative as compared to the traditional institution building approach. In the former, some of the chief architects could be expected to come from the organizing group. In the latter, these architects can be expected to be at the center.

441. A change in the project designers will frequently result in a change in the design as well. Even more, the content of the strategy can be expected to be different. The time for preorganizing an institution building project in its environment will add considerably in most cases to the time allocated up front for a project. Advocates of the participative approach would be expected to justify this additional time by maintaining that it increases the probability of ultimately institutionalizing the effort.
442. Before turning to the implications for funding agencies, two comments are in order. The first is that the above discussion speaks to new organization situations rather than revitalization of an existing institution. While the implications for the latter are somewhat different, the basic thrust of grounding an institution as solidly as possible in its client groups in the environment is equally applicable for all institutions, regardless of where they are in their life cycles. The second is that the basic need is for institutionalization of development-oriented institutions. The difference is one of approach, not ultimate objective.
443. Funding agencies, especially external donors, have a limited number of alternative points of intervention available to them. The institutions and government policies offer the greatest potential for influencing the direction of development. In many instances, government policies are not accessible as points of intervention.
444. Hence institutions take on increased importance for donors as well as being crucial to the host governments development efforts. As a result, the potential to overwhelm, from the top down, recipient host institutions is very great.
445. There is a potential to be paternalistic in designing institution building strategies to accomplish the donor's objectives in as

short a time as possible. Evidence in the literature suggests this is a formula for failure if the ultimate objective is a self-sustaining, auto-catalytic institution, one that truly is infused with value by the using society.

446. The role of a donor truly interested in fostering institutions that will serve as engines of the development process is a most challenging task. Hence, donors are well advised to read carefully the literature of lessons learned, especially in the last decade. Two of them are especially worthy of attention.
447. First, the capital-assistance process format does not fit institution building situations well. The rush to obligate technical assistance funds results in, for example, technical assistance personnel arriving on the scene with counterpart personnel hardly knowing they are coming, much less agreeing to the objectives some high-level administrator in their institution agreed to.
448. How can the clientele groups, which the institution is supposed to serve more effectively as a result of the technical assistance, feel they have an ownership interest in such a venture? Clearly, a shift to a more participative approach, especially at the outset of a project, has merit if the creation of truly viable institutions is the donor's ultimate objective.
449. The second lesson learned is that institution building is both an extremely complex and a time-consuming process. The complexity of the process is indicated by scholars, some of whom are in their third decade of studying institutional building, who say much remains to be researched. In fact, analysts are just learning to ask some of the right questions in complex areas of the process.
450. The time-consuming nature of the process is evidenced by the apparent success of the learning process approach, which is likely to always require more time than the traditional approach. But this is not surprising. Careful reflection on what institutionalization is all about infusing an organization with value suggests that there are no quick, easy solutions.

Dr. Priya Ranjan Trivedi has adopted all the above mentioned 450 principles related to institution building practices during all his professional career of 46 years. He has also researched as to how and

why an institution is created ?, how it gets indisposed ?, how it gets stagnated ?, how it gets murdered ?, how it dies of natural death, what are the prescriptions for overcoming the stages of stagnation.

Dr. Priya Ranjan Trivedi is all out to transfer these appropriate technologies of institution building to other institutions, groups, individuals, governments, universities, colleges, institutions, schools besides national as well as international organizations from contemplating to strengthen the cause of institution building in any country of the world.

### **Contact Points :**

1. Dr. Priya Ranjan Trivedi, President, WIBP, New Delhi  
Email : [prtrivedi@ecology.edu](mailto:prtrivedi@ecology.edu)  
Website : [open.ind.in](http://open.ind.in)
  
2. Dr. Markandey Rai, Executive President  
Email : [markandey.ray@gmail.com](mailto:markandey.ray@gmail.com)  
Website : [open.ind.in](http://open.ind.in)