

Thinking Strategically in Kauṭīliyan way: A Thoughtful Solution for Better Strategic HRM

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Abstract

Strategic human resource management is all about a well-rounded approach to business and people management that HR leadership uses to ensure success of the enterprises. But whatever has been done in the name of strategic management and strategic planning seem to work in contradiction of creativity and innovation. While a large majority of the HR community was navigating through this change of being more relevant to the businesses they served, the change in the business scenario made it critical that they saw their own roles beyond just being trustworthy business partners. In the current scenario, the key drivers that dictate the success of organizations in the new world are speed and agility, constant innovation and collaboration beyond the organization's boundaries. And while the reliance of traditional HR processes was on compliance and standards will now need a change and the skill of being strategic needs to be seen from different lens. Successful organizations of tomorrow will be the ones that recognize the business, economic and socio-political, and demographic trends early on and prepare themselves strategically for the same while focusing on continuous improvement since customer expectations will always be moving up. To build organizational ethos and continuous innovation, HR will play a key role in institutionalizing strategic thinking and innovation across all levels of an organization, and although the approaches currently practiced need radical rethinking, HR should drive such thought processes and be the catalysts for the new changes. Understanding on how to leverage the strengths of all employees and develop high performing teams that are focused on solving the right problems in order to move the organization forward will be the key for HR if they want themselves to be seen as a strategic partner and leader within the organization. It is really about building successful teams by injecting the component of right way of thinking i.e thinking strategically and working with variety of thinking approaches together and learn to solve problems. The methodology used for this purpose is called hermeneutics; which is a study, understanding and interpretation of ancient text. It is one of the qualitative research methodology used in social science. The paper attempts to look at the various approaches of thinking strategically advocated and demonstrated by Kauṭīliya in his famous treatise called Arthaśāstra translated by R.P. Kangle in the book The Arthaśāstra.

Keywords: Strategic HRM, Strategic Thinking, Ānvikṣiki, Solutions, Solving Problems

1. Introduction

Human Resource leadership is under significant pressure to be more strategic within their enterprises and to make more valuable contribution in the form of advisory solutions to the management and Boards. Expectations are soaring from the modern-day HR leaders for positioning and coming up with solutions contributing to tangible business results having a direct impact on top and bottom line performance.

The skill to resolve the issues and clear the glitches becomes a major differentiator between a successful execution and a strategy that struggles, lags behind and fails to deliver. Problems might get resolved after taking assistance of technology, software and processes, but the true resolution originates and ends with the ability to appropriately identify a problem and methodically develop a solution to solve it. In current complex world of business issues, this requires creativity and an approach that leverages the strengths of a diverse and balanced team of problem solvers and justifies the thought that being strategic means providing solutions and solving the problems by thinking strategically.

It would be absolutely normal to depict the developmental changes in the areas of human resource management (HRM) as one of advancing progressively over time. Evolving tremendously from being personnel administration and management function, it transformed to become HRM, which in turn got replaced by strategic human resource management (SHRM), as it strived to leave its operational and administrative past behind and became strategically valued business partners. And now SHRM is already switching into its next growth oriented phase of human capital management or talent management playing a critical role in business success through disruption and innovation.

2. Perception Management

To have a makeover of the role perception of HR is not only an objective to be achieved within the HR department, but it must be made into an enterprise-wide initiative. Today lots of debate and conversations remains non-conclusive that HR guys just don't understand the business well enough to have a sensible dialogue with them about the real-world strategic necessities of their enterprise. With these conversations heating up, it becomes essential to rethink on the role of HR which has to change from administrative to unlocking human potential which not only requires a different skill-set but also a different mindset. As these perceptions are not uncommon, such claims cannot not be ignored.

Careful observation shows that strategic orientation has always been embedded in HRM since its emergence in the mid-1980s. Whereas clear references can be traced in earlier books in terms of desired contribution of HR in achieving organisational goals. Also a wide understanding of the background in which business take place, and the anchors of change in that context, leading to strategically structure people management decisions. But most importantly what has been less clear was how to achieve those.

It is great to see that HR has largely gone ahead of simply using the word "strategic" in front of its practices, as in "strategic hiring", or "strategic compensation" and so on as if claiming rights on using word strategic wherever wish to. Hopefully HR function doesn't see a day where self-declared "strategic business partners" gets added to the title of HR functionaries in the contest of clearing the unsound perceptions.

3. Witnessing of Shift in Approaches

The domain of work has changed dramatically in the past decade, driven by factors that including a brutal recession, technological advances and a new generation of workers with very different ideas of what employment should look like thus ensuring emerging of various strategic approaches to people management. It includes Best HR practices, Restructuring and employee flexible initiatives, team-based organisational structures and most importantly decentralisation of HR to line-managers and the shift in role of HR to strategic advisers. Enterprises are taking lot of efforts in re-engineering their HR processes to meet the fast-

evolving corporate landscape. For instance, they are assessing the utility and value of traditional performance management system and are marching towards more rapid goal-setting and feedback cycles, while acknowledging the increasing value of network contributors as well as individual contributors to business unit outcomes. Topic of talent management which gained momentum being ambitious on it as a source of sustained competitive advantage. There were lot of significant developments witnessed in the areas of strategic HRM like high-performance work systems (HPWS), employee engagement, application of HiPo models (aspiration, ability and engagement) performance equations, and so on. But to be effective, it was essential that their implementation needs to be tailored to the precise needs and background of each strategic business unit. Approach of One-size-fits-all couldn't gain success out of it.

Over a period of time the various approaches to strategically manage people has benefited the organisations in varying degrees. It's serious that corporates understand on building teams of people which will leverage the right combination of styles and behaviors allowing them to innovatively address key organizational challenges. Many organisations also lacks right resources to implement cost-effective operational HR practices and get involved in on-boarding more sophisticated SHRM options. There is a remarkable opportunity for HR leaders to contribute strategic value in the success of organisations by aligning an organization's hiring efforts with the problems it needs to solve – finding the right people to do the right thing at the right time is more important now, than it has ever been and specially when there is a pressing need to develop more innovative business models outside of HR. Thorough strategic planning performs poorly when it operates in dynamic complex environment that necessitate strategy development and implementation be done interactively and continuously.

Whatever rigid and time-consuming activities been done in the name of strategic management and strategic planning goes against the flow of creativity and innovation in such scenarios. And this is when the element of strategic thinking enters the picture. Rather than trying to develop ever more sophisticated tools for formulating business strategies and implementing strategic planning, attention is shifting to the intellectual structures and processes that managers and other decision makers use while engaging in these activities.

Strategic thinking is a header for a range of mental activities used while making strategic decisions about resource allocation and utilisation. It's a realisation that what is really being done in decision making in increasingly unstructured and complex situations, under conditions of uncertainty, where the decision maker have partial ignorance about what is really going on, and in a social environment that is neither free of organisational politics nor emotion.

So at this juncture, there arises a question - what is strategic thinking and how might someone excel in it? The reply to the above question largely lies in the Indian cultural and values which has a rich heritage of being more than 3500 years old as against the modern management principles which are at a much more infant stage. Kauṭilīya was one of the best strategic thinkers of the world. In the fourth century BC, he wrote the Arthaśāstra, an unrivalled political treatise that has since been used by leaders across the globe. This paper will be an attempt to peep into the past and through ancient wisdom which will act as a giant leap into the future of strategic thinking.

4. Extracting the Relevance of Strategic Thinking from the Ancient Wisdom

When it is said ‘Think properly’. Is it really put into practise and these suggestions may just remain mechanical in nature. It is also like someone greeting other by saying ‘Have a nice day’ and when response comes ‘How’ is the time where hardly anyone could be able to answer the question ‘How’.

Kauṭīlīya talks about the concept called Ānvikṣiki which is a process of thinking and signifies it as a lamp of all sciences thus showing the superiority of the thinking ability. The word Ānvikṣiki denotes the science of strategic thinking, logical thinking or scientific thinking. Ānvikṣiki being a Sanskrit word is the combination of two words ‘Anu’ and ‘Ikshiki’. ‘Anu’ means atom which is the smallest part of anything whereas ‘Ikshiki’ means a person who wants to know, ie. an enquirer, a thinker or a researcher. Therefore Ānvikṣiki is the process of enquiring and right thinking or the science of thinking. The first and opening chapter of Kauṭīlīya’s Arthaśāstra talks about ‘Ānvikṣiki Sthapana’ and its importance. ‘Ānvikṣiki Sthapana’ is establishing the necessity of thinking. This itself denotes the importance given to strategic thinking by Kauṭīlīya and recommends his students to study Ānvikṣiki as their first subject. According to him, Ānvikṣiki to be treated as an area of specialization and not generalization. He refers Ānvikṣiki as a philosophy which includes three other philosophies that are Sankhya, Yoga and Lokayata. Thus as per Pillai. (2017, p. 21) Ānvikṣiki can be interpreted as a way of thinking which includes numbers and the right connection to divine and material success. According to Kauṭīlīya, a person who thinks simultaneously in numbers, divine connections as well as material success is one who practices Ānvikṣiki and therefore it is said to be a very practical way of thinking. Kauṭīlīya while talking about the way to practice Ānvikṣiki, says investigating by means of reasoning, what is spiritual good and evil in the Vedic lore, material gain and loss in economics, good policy and bad policy in the science of politics, as well as the relative strength and weakness of these three sciences. It can be inferred that Kauṭīlīya proposes that one needs to investigate with reason and it is important to think logically and systematically which validates that it is a well thought process.

Kauṭīlīya through Arthaśāstra indicates various approaches of thinking and the ways to practice it.

4.1 Both-Side Thinking

The reason Kauṭīlīya being considered as the epitome of brilliance is because he used to look at both sides of a coin. Just by looking at one dimension will not really give a complete picture. Those who like to view everything from positive lens misses out on the reality side of the situation just by looking from one angle of positivity. Kauṭīlīya in the opening lines of Arthaśāstra writes a prayer as

‘Om Namah Shukra Brihaspati Abhyam’ – (Salutations to Shukra and Brihaspati)

Shukra was the preceptor of demons and known for his strategies in Shukra Niti, whereas Brihaspati is the preceptor of Gods and a great advocate of political science. In any team game, both teams have their coaches training and guiding them and brilliance lies in acquiring knowledge from both sides and this is what Kauṭīlīya teaches the way to practice ‘Both Side Thinking’.

4.2 Alternative Thinking

Kauṭīliya in Arthaśāstra talks about another way of thinking and that is 'Alternative Thinking'. Kauṭīliya details out one of the very famous four stage process called as 'Sama, Dana, Bheda, Danda'. He recommends that the first step is to never start a war where most of the problems can be resolved amicably which is 'Sama'. Gifting has a power to win someone's heart and resulting in achieving the objectives and explore the possibility of mutual benefit is what 'Dana' advocated by Kauṭīliya. 'Bheda' is a method recommended by Kauṭīliya for the unfriendly people which runs on the logic of Divide and Rule where analyzing the problem and understanding who may agree to our viewpoint resulting in the desired outcome. Danda is the last weapon as when nothing works, force has to be applied. And so war is the last and final alternative recommended by Kauṭīliya to win the game. Training the mind in the right kind of thinking and developing a solution focused mindset rather than problem focused one is the answer to what is strategic thinking and developing the thinking skills to decide what works for which situation and which person by using the wisdom and maturity helps someone excel in it. Choosing between the given alternatives acts as a key to achieve the goals.

4.3 Creative Thinking

One more approach of thinking proposed by Kauṭīliya is of Creative Thinking which is about being innovative and creative. Various examples of creative thinking and execution mentioned in Arthaśāstra accords that creativity works when being at the right place and right time is leveraged. Kauṭīliya in one of Arthaśāstra's chapter talks about how to catch the elephants at the right place and at right time. This thought is very much visible in the current context, where to achieve the highest sales, any Sales or Service offering enterprise leverages the period of festivity and also spends heavily on market intelligence to understand customer behaviour patterns that is exactly demonstrated by Kauṭīliya in understanding elephant's behaviour with an objective to catch them. Being creative also talks about what to do and what not to. Thus, through elephant catching way Kauṭīliya demonstrates the role of nature as a guide and teacher.

4.4 Lateral Thinking

Lastly, one more approach of strategic thinking can be mined from the Kauṭīliya's treasure of wisdom and that is of Lateral Thinking. This approach of thinking encourages out of box thinking to tackle any situation. Techniques of Lateral thinking offers a thoughtful and systematic process resulting into an innovative thinking. By using these unconventional thinking techniques, lateral thinking enables to find creative solutions that may not be considered otherwise. There is a chapter in Arthaśāstra in Book Ten which teaches how to plan a war based on four components ie. Mode of fighting of the Infantry, the Cavalry, the Chariots and Elephants which has given to this world the game of CHESS. This war plan gives various permutations and combinations that can be used by the king to defeat his enemies. In the modern game of chess both sides has equal armoury and the one who uses his resources wisely makes him winner and the opponent loser. In one of the verses of Arthaśāstra, Kauṭīliya recommends every component positioned in a certain manner. Structure arrangements is the key in this game where lateral thinking helps to understand the moves made by the enemy. At times one party flow with the moves of enemy whereas at other times, same party move to surprise the enemy. It is the lateral thinking which enables to understand the modus operandi of the other person which smoothens the way to achieve victory. Concept of Lateral thinking demonstrated by Kauṭīliya is about understanding own thinking whereas at next level understanding the move of others by thinking their ways and winning the success.

5. Conclusion

Kauṭīlīya advocates that the strategic thinking is not something specific to any specific group of people but the various approaches to be practised by everyone would be the right way to utilise Ānvikṣiki. Thus it can be inferred that by consciously practicing Both-Side Thinking, Alternative Thinking, Creative Thinking and Lateral Thinking someone can excel in it thus rightly inferring from the teachings of Kauṭīlīya and make strategic contributions in true sense while practicing Strategic HRM. Let's think on this....

References

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