

VIGILANCE – A MANAGEMENT PERSPECTIVE

Today the Public Sector Undertakings in the country play a significant role in the economic as well as social development of the country. Further, the spectrum of public sector ranges from monopolistic nature like Internal air traffic, Life Insurance etc. to highly competitive fields like Textiles, Banking. Today these undertakings are no longer regarded as large commercial concerns judged on their commercial results but have in varying degrees wider objectives than commercial concerns in private sector. They deal with tax payers' money and are therefore accountable to Parliament. They are subject to public criticisms and criticisms in the press. Unlike the private commercial organization where individuals count more, in these public undertakings, the systems have to work more than individuals. Under such circumstances, there is a need for a strong vigilance organization in the PSUs with a set of rules to regulate the conduct of the employees of these undertakings.

2. Vigilance has to be looked upon as one of the essential components of management. It is as important a segment in an organization like Finance, Personnel, Technical and Marketing. If the vigilance set up is effective in an organization, it will certainly ensure the functioning of the other segment like Finance, Personnel, Technical and Marketing in an efficient way. It has therefore to be given a rightful place in the management.

3. Though the work 'vigilance' is liked neither by an honest officer nor a dishonest officer, yet its absence will be harmful to the organization. It is like a Bitter Pill. For the health of the organization, the Bitter Pill has to be administered. Like a Bitter Pill, the administration of vigilance will taste sour. But in the long run, it will be in the good health of an organization.

4. The objective of vigilance is to ensure that the management gets the maximum out of its various transactions. In the field of purchases, it should get the quality product at competitive rates. In the field of sales, it should get the maximum realization for its products at the minimal selling cost. In the field of personnel, it recruits the best talented people and keeps the morale of the people high. Likewise, in any one of its transactions, it should endeavour to get the best. Unlike in private organizations (mostly individual concerns) where individuals whose interest are totally centered round on the profitable functioning of the organization, in public sector organizations it is rather difficult to inculcate **that culture** without a vigilance set up. The presence of a vigilance set up will enable the management to enable the presence of that culture.

5. Vigilance is not something external. It should be accepted as an essential part of management. Vigilance connotes watchfulness. It is not the purpose of vigilance to wait for lapses to be committed and then try to conduct post mortem. What is more important than punitive vigilance is

preventive vigilance. In short, management should be interested in preventive vigilance measures. If adequate attention is paid to preventive vigilance side, many vigilance cases will not arise.

6. Preventive vigilance calls for constant review of rules, procedures and practices which afford scope for corruption. Some of the salient features of preventive vigilance in different segments of organization are enumerated below:

I. **Purchases**

- i) Should be invariably on a public tender basis.
- ii) Whenever limited tender is resorted to, enquiries should be sent only by certificate of posting and adequate notice be given to participate in tender.
- iii) Further, tenders should be both for technical and financial bids.
- iv) Technical bids should be scrutinized and approval of samples made before financial bids are opened.
- v) Once the samples are approved, then the lowest price concept should be implemented in awarding purchase contracts.
- vi) List of suppliers should be reviewed periodically.
- vii) Adherence of purchase conditions to be monitored.
- viii) Delivery of samples should be got checked with basic samples.
- ix) Review of settlement of bills of parties.

II. **Sales**

- i) Fixation of prices as well as deliveries to be monitored.
- ii) Quality assurance,
- iii) Review of dealers performance,
- iv) Review of discounts extended,
- v) Review of sale of substandard and damaged items and
- vi) Review of presentation of bills.

III. **Transport**

- i) Should be done only on public tender basis.
- ii) Evaluation of the performance of transporters on a periodical basis.

IV **Civil and Electrical Works**

- i) Strict adherence to the procedure laid down by the CIL, BPE, CPWD etc. in the execution of works.
- ii) Surprise checks of measurements, quality of material etc.

V. **Inventory**

- i) Surprise check of stores both for quality and quantity.
- ii) Review of stores lying unused for long time.

VI **Finance**

- i) Settlement of payments by A/c payee cheques,
- ii) Dispatch of cheques by certificate of posting instead of hand delivery,
- iii) Review of debtors list,

iv) Obtaining confirmation of balances outstanding from parties.

VII. **Personnel**

- i) Periodical rotation of officers/staff in sensitive posts,
- ii) Review of the immovable properties return of the individuals.
- iii) Proper implementation of the Conduct, Discipline and Appeal Rules like weeding out corrupt officers in public interest.
- iv) Dispensation of unwanted procedures and practices,
- v) Streamlining procedures for recruitment.
- vi) Institution of an effective grievance procedure machinery.

7. The aforesaid are some of the general aspects of preventive vigilance measures that could be adopted in public sector undertakings. But they will vary depending upon the type of activity, size of the unit, the areas of operation etc. However, the point to be borne in mind is that preventive vigilance measures help the management to get optimum results from the different activities.

8. It is also necessary to have close liaison with CBI on a periodical basis so that the organization has the advantage of having information from external front also.

9. To conclude, it may be said that all these procedures could work well

only if there is a total commitment and honesty on the part of management in implementing them. Let us therefore dedicate out selves to be honest to implement the vigilant procedures effectively to make these public sector undertakings function in an effective way so that they could reach the commanding heights in the economic and social development of the country.

(This article of Sh. ND Gour, Personnel Manager (Vig.) Western Coalfields Ltd. was published in the Journal "CONCERN" (March, 2003) of the Vigilance Department of Western Coalfields Ltd.)
