MAKING THE CRIPPLED DANCE:

A MODEL FOR REJUVENATING THE AILING PUBLIC SECTOR ENTERPRISES

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ABSTRACT

Many public sector enterprises, some owned by the central government and others owned by the state governments, are facing a crisis of survival today. This is on account of intense competition setting in by the opening of Indian economy on the one hand and the reluctance of the respective governments to support them and fund their mounting losses on the other. The concerned governments want to privatise them or wind up, if they are not performing well. Have the public sector enterprises, established over 50 years period lost their relevance now? Have they reached a point that government must think of disowning the ones not performance well? Is there a case for developing new approaches to manage public sector enterprises is general and the ailing ones in particular? This paper addresses these issues based upon intensive studies of several public sector enterprises and suggests certain measures to meet the challenge.

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12.1 Introduction

The public sector enterprises in the country are facing a crisis of survival today. The challenge is two -fold. First one is the pressure of global competition, which is being experienced by domestic private sector as much as by the public sector. The second and perhaps more serious challenge emanates from the change in thinking of the owners (the governments) to throw away the ailing babies and/ or withdraw their patronage. The focus of this paper is on the second challenge.

The thrust of philosophy of the owners is to disown (privatize), if a public sector enterprise is not of strategic importance, or is not doing well. If there is no buyer for an ailing company, then, it should be wound up. While the first issue also requires extensive debate to decide, the second one is even more critical, calling for a closer examination, as some irrevocable, concrete decisions and actions may be taken, which may have long term repercussions. The euphoria of exit policy and privatization makes one wonder whether it is also a fad, which may cremate the "looking dead". Time has come to have a fresh and critical look at the issue of privatization/ winding up of the unsuccessful public sector enterprises, especially in light of some of the recent studies and experience (1,2).

The compulsions of the governments (both at the Centre and State levels) also seem to be twofold: one, the increasing pressure of funding the mounting losses of the enterprises, which governments are finding difficult to bear. The other one is a growing perception that the ailing units can not be mend, signifying an acceptance of a managerial failure, albeit, of a mammoth and complex task. As a very senior bureaucrat said, "the move is more out of disgust with the public sector performance, rather than a confidence that the private sector can cope with the challenge of playing the role that was envisaged for the public sector enterprises, when the movement for creating the public sector enterprises started in 1950s and got impetus in 1960s".

12.2 The Failure of Public Sector

Has the concept of public sector enterprises failed totally? If so, there is no point in thinking and deliberating further. The decision is simple and straightforward. But, before concluding on the issue, one may like to make a critical analysis of situation.

The performance of an organization can be measured on two key dimensions: the effectiveness and the efficiency. This distinction is important and the linkage between the two is necessary to realize, to be able to understand the reasons behind the pathetic state in which one finds some of the public sector undertakings today and to develop coping strategies.

The public sector companies are generally not performing well in terms of profitability. This has been the case even in their hey days, when the Indian economy was a protected one. It was not felt so acutely earlier, partly due to monopoly in certain cases and largely because government was able to mobilize resources to fund the losses. Most of them, however, had not been performing badly in terms of effectiveness until 1980s (3,4), in that their turnover and sales growth compared favorably with the domestic private sector companies. Of late, with the governments finding it difficult to fund the losses, even their effectiveness is getting eroded, making them look a case of total failure, and hence the candidate for disownership by the government.

What may be the consequence of the disownership? Is private sector ready to play the role envisaged for the public sector and is public sector really not capable of playing the role assigned? Is there still a chance for some enterprises to bounce back? Can something still be done to have a somersault? What may be the tasks involved? Is a new model for corporate governance required for public sector enterprises? Some tentative answers to these questions are provided by few in-depth studies referred earlier.

12.3 The Role of Public Sector

A recent study of sugar mills in the state of U.P. provides an interesting insight about the role of state enterprises vis.a.vis domestic private sector enterprises. Uttar Pradesh has 35 sugar mills run by the U.P. State Sugar Corporation (CMs), having total installed (crushing) capacity of 27908 tpd (tonnes per day). Most of these mills were over 30 years old and sick when they were taken over by the state government in the 1970's. Some of these are 50 to 60 years old today. Most of them had become obsolete technologically and had uneconomic size of operation (800-100 tpd). Some of them have been expanded to be of economical size (1250-2500 tpd). But due to perennial loss making position, not much investment for modernization could be made.

Besides the CMs, there are 32 cooperative sugar mills under the umbrella of U.P. State Cooperative Sugar Mills Federation (FMs). The total installed capacity of cooperative mills is 70000 tpd. Most these mills have capacity of 2500 tpd, while some of them have capacity of 1250 tpd. These mills were established in 1960s and 1970s. Capacity of some of the mills was increased to 2500 tpd in late 1980s and early 90s. With cooperative society membership fee being subscribed largely by the state government, they are more of a government cooperative and behave much the same way as the state public sector enterprises.

The state also has 56 private sugar mills (PMs) of varying sizes from 2500 tpd to as high as 10000 tpd. About half of them have capacity of 2500 tpd, , which is economical size of operation. Others have higher installed capacities.

The cane department of the state government allots cane area for various mills belonging to the three sectors. The farmers have to make a commitment to the mill in his area, in the beginning of the season. They are not supposed to sell the committed sugar cane to any other party than to the mill he has committed. However, a diversion may take place depending upon the crop performance of sugar cane, as the penalty for diversion in insignificant.

Sugar is a controlled item. The central government releases quota for each mils on monthly basis, both for the levy as well as free sale sugar, depending upon expected demand in the market. If a mill produces more, it is under pressure to clear stock of sugar produced, else it has to carry huge unsold inventory at a high carrying cost.

Sugar is not only a seasonal business, but it is cyclical too, every four years there is a bumper crop followed by lean years. In the bumper crop years, the mills are under pressure to accept crushing of more sugar cane than what the sugar demand in the ensuing period is going to be and have to carry large unsold stock. On the other hand, in the lean years the mills may be starved of sugar cane, because of diversion of cane by the farmers to other (gur or khandsari producers).

Now let us look at the performance of the mills in the three sectors. For measuring the cane crushing performance of mills, a crushing index has been developed, defined as the ratio of cane crushed by a mill to the installed capacity of the mills. The mills have been classified into the five categories as shown below, depending upon their crushing indices:

Performance Category	Crushing Index
Super Performers	***≥2.0,***
High Performers	≥1.5, but <2.0,
Medium Performers	≥1.0, but <1.5,
Low Performers	≥0.5, but <1.0,
Poor Performers	< 0.5

The cane crushing performance of the sugar mills in the three sectors in shown in table 1. From the table it will be seen that overall performance of the state corporation mills (CMs) is better than the cooperative sugar mills (FMs) and the private mills (PMs). A size to size comparison of mills of 2500 tpd capacity highlights the superior performance of corporation and cooperative mills vis.a.vis the private mills even more clearly (see table 2). The crushing performance being the measurement of effectiveness, indicates that the public sector mills (CMs and FMs) are not inferior performers than the domestic private sector mills (PMs), so for effectiveness of cane crushing performance is concerned.

Table 1
Comparative Crushing Performance of the Sugar Mills in Three Sectors

	Corporation	Federation	Private

Super	-	-	2
High	3	9	3
<u>Medium</u>	18	12	28
Low	9	10	13
Poor	5	1	10
Total	35	32	56

A look at comparative crushing performance of the mills in three sectors over two years period shown in table 3 is even more revealing. The year 1997-98 had been a bumper crop year for the sugarcane production, while 1998-99 was a lean year. From column A of the table, it will be noticed that the ratio of sugarcane produced in the area allotted to a mill and the installed capacity of the mills in all the three sectors is more or less same, indicating that the area allotment has been fairly rational. However, there is difference in crushing performance. The cane crushed to cane produced ratio for the private sector mills (PMs) in the year 1997-98 (bumper crop year) was 30, which increased to 44 in the lean year (1998-99). On the other hand, for corporation mills (CMs) the ratio decreased from 41 in the bumper crop year to 29 in the lean year. In other words, the corporation mills (CMs) crushed more sugar (and carried more inventory) in bumper crop year, when the market demand/ supply ratio and hence the price of free sale sugar was low. The PMs on the other hand crushed more sugarcane in the lean year, when the market demand/ supply ratio was high (and hence the high price in free sale market was also high).

Table 2

Cane Crushing Performance of Mills having Capacities of 2500 tpd. & above but <5000 tpd

	CORPORATION		FEDERATION		PRIVATE		TOTAL	
	≤2500	>2500 & ≤5000	≤2500	>2500 & ≤5000	≤2500	>2500 & ≤5000	≤2500	>2500 & ≤5000
Super	-	-	-	-	2	-	2	-
High	1	-	8	-	-	1	9	1
Medium	6	1	6	1	8	4	20	6
Low	2	1	5	-	5	6	12	7
Poor	-	-	1	-	9	1	10	1
Total	9	2	20	1	24	12	53	15

It will also be seen that the ratio of cane available (to mills) and cane produced in the area has been high for private mills (PMs) in the lean years (45) and low (29) during bumper crop year. On the other hand, in the case of corporation mills (CMs), it has been high (42) in the bumper year and low in the lean year (37). It, thus, looks that during the lean year the farmers drifted to the private mills (or the mills attracted them), while in the bumper crop year they drifted to the corporation mills (or the private mills pushed them)

Table 3

Bumper Crop Year and Lean Year Performance o Mills in Three Sectors

Type of Mill	1997-98				1998-99			
	A	B	C	D	A	B	C	D
	Mean Score				Mean Score			
Corporation	5.8	41	101	42	5.5	29	81	37
Federation	5.8	28	107	27	5.7	26	85	31
Private	5.6	30	95	29	5.8	44	99	45
	Std Dev.				Std Dev.			
Corporation	2.4	15	24	15	1.0	1.0	2.4	17.42
Federation	0.9	17	45	13	1.1	11.0	16.1	12.35
Private	1.4	19	40	17	2.5	16.0	38.0	14.9

A= Cane Prod / Inst. Cap. B= Cane Crushed / Cane Prod. C= Cane Crushed / Cane Available D= Cane Available / Cane Prod.

If this is the ***comparative behaviour of the public sector enterprises and the private sector enterprises***, what would be the scenario, if the public sector mills were wound up? Will the private sector mills come forward in the bumper year to crush the cane that is catered to by the public sector enterprise even if it meant making losses. If they shoo away the farmers, they shall switch over from sugar cane to some other crop that happens in case of non- payment of cane dues by the mills. Gradually the scenerio will change and the state, the 2nd largest producer of sugarcane in the world may soon lose its rich agricultural output.

If this situation is to be averted, either a new model to help private sector has to be developed, where the state subsidizes the private sector enterprises or, some new model for public sector enterprises has to be developed. Given the fact now that the public sector enterprises do not perform inferior to private sector in terms of effectiveness, and it is a question of efficiency, the search for new model for corporate governance has to focus on improving the efficiency of the enterprises.

12.4 Needed a New Model Rrejuvenating for the Ailing Public Sector Enterprises?

Is it possible to increase the efficiency of public sector enterprises to a level that they become profitable, especially the ones that are on the verge of collapse? Experience indicates that it may be possible to do so, with some dedication, hard work and hardship. The experience of Scooters Indian Limited, an ailing public sector enterprise of the central government that was running into losses ever since its inception, made a turnaround, earning a net profit, for the first time, in its silver jubilee year. It was the hard work and dedication of the workers, officers and management for over seven-year period.

What were the reasons behind the successful turnaround of Scooters India limited. It was no doubt on account of financial restructuring of the company correcting its dept/equity ratio by waiver of a major portion of government loan accumulated by years of losses. But that was a late affair, in the seventh year to be precise (1996-97) and worked like a facilitator for the company to start paying dividend. The real turnaround had taken place on the company's business front. The sales had grown form Rs.10 crores to Rs 120 crores. Even this would be an understatement of efforts made. The company's production had increased from about 1400 three wheelers in 1989-90 to about 16000 three wheelers in 1996-97, and the market was expanded from the state of U.P. in general (and city of Lucknow in particular) to all India. This eleven- fold rise in physical out put was achieved despite reduction in manpower from 3200 to 2400. A fourteen-fold rise in production in seven years' time, with almost same infrastructure, was a commendable performance indeed. A brief idea of the total efforts made by the company is shown in exhibit 1-6.

This rise in the performance of the company was achieved by changing the mindset, the thinking of people at various levels. It was a great effort on the part of the new chief executive to bring about awakening among the workers that without their commitment and hard work, there was no hope and by working harder and harder, they could hope for better days ahead. Once exited, mediocre gave superior performance. Indeed, the installed capacity itself was increased from 2500 nos. 3 wheelers per annum to 5000, 7500, 12000, 15000 and 16500 through in-house efforts of business process reengineering and without making any significant investment. The bankers were also taking into confidence by promising and making regular payment of outstanding interest and repayments and impressed upon to bear with the company in the hard and help the company get out of rut it was in.

The Scooters India case raises a fundamental issue. Are the public sector enterprises performing truly to their potential? Perhaps not. The efficiency level may not be low to the order of 6-7%, as was the case of Scooter India Limited in 1989-90, but it seems to be to the order of 50% to 33% even in the best performers among public sector enterprises. If the efficiency can be increased to 100% level, the public sector companies have the potential to perform as well as the private sector, and run on net profit. If a company such as Scooters India Limited., which was going to be *buried,* did have that high a potential, it should make one ask the question ***"Are we cremating the looking dead"***, while dealing with the issue of disowning of public sector enterprises. There is a need to have a critical review of potential of the enterprises to be good performers, running profitably on stand-alone basis without help from the governmental as owners. It should make one ponder whether there is a *need for developing* ***new*** *model* for corporate governance of public sector enterprises in general and the ailing ones in particular.

12.5 Making the Crippled Dance: A New Model for Rejuvenating the Ailing Public Sector Enterprises

An organization is a cooperative system having several stakeholders, such as the customers, the supplies, the employees, the financial institutions, the owners and the plant & machinery. Each one of them contributes something and expects something in return to his satisfaction. For example, the customer's pay the price and want to have product that satisfies their wants. The suppliers provide raw material and components and want timely payment to their satisfaction. The employees give their efforts and wish to have compensation to their satisfaction. The owners provide capital and have the expectation of dividend and capital gains. The plant and machinery, the buildings etc. also make contribution much the same way as the labour and other input suppliers and require maintenance and timely up-gradation in return. These expectations change constantly and the corporate management has to maintain a dynamic equilibrium between the expectations and contribution of all the constituent members of the organization as a cooperative system. In an organisation performing satisfactorily, there is a wide cushion between what the organization gives and what a member wants before he quits the membership of the organization or withdraws his support.

So long as the environment is conducive and the sum total of member contribution is more than the members' expectations from the organization in return for their contribution, the organization does not run into difficulties. As the margin between expectations and contribution starts reducing, the organization starts facing the threat of survival.

How does it happen? The equity principles start getting vitiated depending upon the bargaining power of the constituent members. In this power game the principle of equity starts suffering. A stage comes sooner or later that for one or more of the stakeholders, the margin between what he expects and what he gets from the organization reduces to zero or becomes negative, making him withdraw his contribution. This sets a chain reaction, which leads ultimately to a situation where several members start withdrawing their contribution from the organisation, one after the other. In the case of many a public sector enterprises, because of the monopolistic conditions enjoyed by them, the first the victim was the helpless customer, while others like suppliers, employees, financial institutions and owners thrived on customers' helplessness. As the market became competitive, customer is not prepared to pay as much as he was paying earlier or does not want the product. The victim then is the plant and machinery. Its share of maintenance and renovation (depreciation) is used away to pay others. The next victim is either owner or the employee. If the owners are more powerful, they tend to deny employees their dues and vice versa. The next victim typically is financial institution and bank. The axe then falls on the suppliers. Finally, it falls on both the employees as well as the owners, both losing out permanently, the employees their jobs and the owners their capital.

The observations made during the study of Scooters India (1), Sugar Mills (2) and Yarn Mills (5) in U.P. highlighted the above phenomena. One of the main problems observed in the study of sick mills was the utter lack of appreciation by various stakeholders about the claims of other stakeholders. This indifference to others did not allow a holistic thinking among different stakeholders and put necessary pressure collectively for improving organisational performance to a level that would fulfil the expectations of the all the stakeholders. The lack of concern also arose out of low commitment on the part of some of the key stakeholders, like the management, the government as owners, some section of employees etc. The low stakes of some of key stakeholders and decision- makers often lead to such decisions, which were not in the best interest of the organization. There were allegations also made that occasionally such decision were taken on extraneous considerations. The fundamental task, therefore, is to increase commitment to perform and develop suitable organizational mechanisms to guard against the unethical practices. It is, therefore, suggested that new models of corporate governance be developed to manage ailing public sector units. Three suggestions towards the same are proposed.

12.5.1 Follow the Principle of Equitable Sacrifice

The exploitative relationships described above, needs to be changed. Each constituent member must get a reasonable return for his contribution. The equilibrium can be maintained by adopting and honouring two cardinal principles, ***the principle of entitlement*** *and* ***the principle of equitable sacrifice***. While these are applicable to all the members of organization as a cooperative system, they can be positively applied to more enduring members: the owners, employees, plant and machinery and the financial institutions. If there are enduring customers and suppliers, the principle may be extended to them also, but it will be more difficult and complex to apply in their cases.

Furthermore, it would be noticed from the above description that various stakeholders lose in a sequential manner. It is being suggested here that all of them must gain or lose collectedly depending upon the performance of the organization in terms of net profit.

These principles can be operationalised in the following manner. First, each stakeholder (employees, financial institution, owner etc.) must realise/ made to realise that contribution of every other member is as significant for the organisation's survival and success as his own and each one is entitled for a fair or reasonable payment for his contribution. As the employees are entitled for their salary, the owners are also entitled for some reasonable dividend, say 10% on capital employed. Similarly the plant and machinery, building and other fixed assets are entitled for reasonable maintenance and renovation charges (depreciation) ranging from 5% to 40% depending upon the asset. The financial institutions too are entitled for certain reasonable charges on funds supplied, say 15%.

Now from the price that the customer is prepared to pay (P), the payment to suppliers that they are prepared to accept is made (S) to arrive at balance (B). The sum total of entitlements of employees, owners, plant and machinery and financial institutions (E) is then tallied with the balance (B). If the balance (B) turns out to be less than the sum of entitlement (E), each of the members has to make a sacrifice say X1%. The total value of entitlements get reduced by that amount and tallied with balance (B). If new entitlement (E1) is also more than the balance (B), a higher further sacrifice X2% is agreed to make total entitlement come down to E2 which is tallied with balance (B). This process should continue up to a sacrifice level that the reduced value of total entitlement becomes equal to or less than balance (B). At this level, the equilibrium is struck. The sacrifices made may be acknowledged as deferred payment. Better still, the members may be compensated with the issue of equity shares of equivalent amount. No payment of interest on deferred payment, however, is to be made and no dividend is to be paid until the company starts earning net profit. In the cases of deferred payments, only the principal is to be repaid.

	$P-S = B = E$	Most acceptable state------(1)
If that is not feasible,	$P-S=B = (1-X1*100)\ E = E1$	Next acceptable state------(2)
If that is not feasible,	$P-S=B = (1-X2*100)\ E = E2$	Next acceptable state------(3)
If that is not feasible,	$P-S=B = (1-Xn*100)\ E = En$	Eventual acceptable state-(4)

An organization following the principle of equity can not run on loss. Indeed, over a period of time it will turn proactive, enlightened organization, moving from one level of prosperity to another.

The above approach may look impractical at the first instance. A little careful thought, however, will reveal that it is not so. The reason for such optimism is the fact that the basic factor underlying the poor performance of public sector enterprises is the lack of concern and indifference at various levels regarding the optimal utilization of available resources. With the application of principle of equity wastage of all kinds will reduce, innovation and coordinated action for growth and development will be taken up. All this is not happening because of lack of sense of ownership and low stakes of all concerned. Once the stakes are increased for the collective, such indifference and lack of concern would start disappearing from the organization. The organization structure, system and processes would also start getting corrected and customer focus will increase. This all will happen because only by doing this the level of sacrifice being made by every one can be reduced.

12.5.2 Appoint the Chief Executives Appropriately

The leadership issue appears to be one of the most significant one, both at the mill level as well at the company level. This has several dimensions from technical to administrative skills, and from the tenures of CEOs to their concern for the organization. This needs close examination.

One of the key problems of the public sector enterprises, especially the state government ones, has been the short tenure of the Chief Executives i.e., the Managing Directors and the Chairman. For example, there have been 16 Managing Directors in UPSSC during 25 years of its history, the average period in office for a Managing Director turns out to be 1½ year. Besides there have been periods of discontinuity. In the case of Sugar Corporation, it has been even worse. There were 24 managing Directors in 24 years, the average period turns out to be 1 year. Another feature of the top management has been the uncertainties of their being in office. This is on account of their being drawn from the Administrative Services Officers of the state cadre. While there are some advantage in this arrangement (like coordinating with other departments, soliciting help from the law and order authorities, absence of job insecurity and above all the ability to mobilise funds from government), it also has certain associated advantages.

a) The short tenure does not allow them to develop an understanding of the business, which is crucial for the success of any enterprise.
b) The short and uncertain tenure does not allow any strategic thinking in the organisation to take place. The Chief Executives tend to engage in operating decision rather than focussing on the development of the organisation for the future. The short tenure of the Chief Executive also does not allow long-term orientation in the organisation, which is

so necessary for the purpose of developing corporate plans for the long-term success of the organisation.

c) It does not bestow upon them any accountability for performance of the corporation, as the determinants of their career paths are independent of the performance of the organisation.

d) Even if the Managing Directors are keen and have necessary interest, orientation and commitment, their short tenure does not allow them to execute or implement the plans, resulting not only waste of efforts but unwarranted sinking on resources.The role of the Managing Directors, as the Strategist, the shaper of the future of an organisation, is that of an Architect. Too frequent changes do not allow them to develop and effect a clear, coherent design of the organisation for the future.

e) The lack of accountability also leads to even operating decision being taken in an unprofessional manner. During the study several unsound decision came under observations, which would not have been taken otherwise. Indeed at times it gives impressions that the decision was taken on extraneous consideration rather than in the best interests of the organisation.

The experience shows that there is a need for change in the system of appointment of the Chief Executive, i.e., the Managing Directors, specially in view of the fact that the role of Chief Executive in mobilising funds from government is getting reduced and will soon be eliminated. It is therefore suggested that:-

i) Chief Executive of the enterprise must get the salary and benefits like their counterparts in private sector. The compensation package should comprise of two parts, one fixed (in a regular scale as at present) and the other linked with the long term performance of the enterprise. The latter may be in the form of a percentage of net profit, subject to a maximum of his annual salary. However this should be paid only after completion of his tenure in the office, for as many years as he has managed the enterprise profitably, provided that the enterprise continues to be in net profit after he has left. If the enterprise runs into losses, his entitlement will be reduced proportionately. The Chief executive should not be allowed to draw the benefits of the parent organisation if he comes on deputation. The partimers should not get any benefits other than reimbursement of meeting expenses that they may have to attend.

ii) The appointment to the post of Managing Drectors should be through an open selection of a professional, be it from the IAS cadre or an outsider.
iii) In case it is an IAS Officer, the officers concerned must give an undertaking to stay on the job for a period of at least 3-5 years and the government should not transfer them.
iv) The Government may also make a panel of IAS Officers who are desirous of such postings and arrange 6 months to 12 months management training (if not a full-fledged MBA level education).
v) These IAS Officers may meet at regular intervals to share the features of the organisations they have served (better still document it), so that the next incumbent may benefit from the experience of his predecessors.

12.5.3 Establish a Strong Vigilance System

A very strong committed top management can make the organization a success. However, there are always chances of unscrupulous people infiltrating the organization. As of now such people have the leeway to connive due to poor vigilance systems. With Chief Vigilance Commissioner now being a statutory authority, the enterprises can hope a very strong vigilance system. The vigilance function should be kept away from the jurisdiction of key decision-makers in the organisation. It should be an independent body reporting to the Chairman of the Board of Directors, if he is not an executive Chairman. The vigilance in charge must monitor all the cases under investigation and also send a copy of the reports to the Chief Vigilance Commissioner and the Speaker of the concerned legislature/ parliament. With this system in practice, the unscrupulous person and wrong transactions can be contained. This will be deter those who represent a very "diffused owner" (the public), and don't care for it. With insiders helping identification of such people (as they have to make sacrifices for the losses arising out of the behaviour unscrupulous people), the system con be expected to function effectively.

12.6 Conclusions

Many public sector enterprises, some owned by the central government and others owned by the state governments, are facing a crisis of survival today. This is on account of global competition setting in by the opening of Indian economy on the one hand and the reluctance of the respective governments to support them and fund their mounting losses on the other. The concerned governments want to privatise them or wind up, if they are not performing well. Have the public sector enterprises, established over 50 years period lost their relevance now? Have they reached a point that government must think of disowning the ones not performance well? Is there a case for developing new approaches to manage public sector enterprises is general and the ailing ones in particular? This paper addresses these issues based upon intensive studies of several public sector enterprises and suggests certain measures to meet the challenge.

12.7 References

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