

Growth of management education in india



**ASSIGN
BUSTER**

Management education in India has been on rise, both in demand and supply levels. India has a rich history when it comes to education. The universities of Nalanda and Takshila were acclaimed world over. We still have IIM's (Indian Institute of Management) and IIT's (Indian Institute of Technology) to feel proud. These stalwarts were the result of management education transmission from America. However, over the period, institutions have come up in every nook and corner of the country, which claim to provide quality education. Consequently, quantity has superseded quality. It means, that quality of education delivered has depleted. This is a matter of concern, especially because, education pertains to development of individual as a whole and if it is faulty then, India cannot boast of being a strong nation with low skilled human capital. Moreover, it goes against our country's image of a center for quality education on national and international front.

The objective of this paper is to chalk out an agenda for reformation of the current management education framework. For this, first we need to assess the strengths and weaknesses of the current framework, which this paper illustrates through SWOT (Strength, Weakness, Opportunity, and Threat) analysis. Pillars of the Indian Management Education framework are individually scrutinized to unveil the loopholes. Key findings include narrow thinking of our society, superiority of profit over social welfare and the attitude of taking things for granted. Based on this, reforms are suggested, which need to be initialized on the political, social, economical and technological (PEST) front. Why considering the view from all these aspects? The rationale being that management education pertains to everyone and it involves inputs from every societal aspect. Therefore, positive development

in this field will lead to the fulfillment of the ultimate aim of the country i. e. inclusive growth. Achieving this aim means transforming the country from a developing to developed economy with everyone's support and contribution.

Introduction

“ Education is the transmission of civilization”

-Ariel & Will Durant[1]

Indeed, Education is and responsible for the transmission of civilizations and thereby the transformation of the countries at the receiving end. Different countries have different curriculums which impart knowledge on different subjects like history, geography, literature, mathematics, economics in context of the respective country and also in general. Over the period, a new subject has been added to the cadre, called “ Management” which lately has been gaining a lot of importance. Why is it a new subject? Because recently the realization has dawned on us that managing our resources has become very essential for an increasing rate of growth in the present and sustainable living in the future. Thus, this management education is supposed to be the carrier of the country's growth to its peak.

Management education was the progeny of the industrialization and the requirement of human capital in 19th century in United States of America (USA). The Degree that was first offered by the Graduate School of Business (GSBA) at Harvard University in 1908 was christened as MBA i. e. Master of Business Administration, the name by which it is still in vogue today. Before this, Wharton school of Management was established with courses offered in Finance and Economy, which was highly influenced by the Frederick Taylor's

ideas on labor relations and industrial Engineering. Nevertheless, the real and a formal breakthrough came in the form of MBA at Harvard, with a faculty of 15 and 80 students.[2]

Harvard Business School inspired Pandit Jawahar Lal Nehru to envision the establishment of centers of higher education in India, post independence. This resulted in what we see as today IIM's (Indian Institute of Management), the pillars of Indian Management education framework. Like this, MBA was transmitted from America to India and has aided in transforming the country's civilization for the greater good!

Management Education in India

Management education in India is less than 50 years old. However, from beginning as a part-time education for executives, to establishment of IIM Calcutta and Ahemdabad in collaboration with Sloan school of Management and Harvard Business School in 1962, to now, when we have more than nine hundred institutions offering Master's program, a spectacular growth is seen to meet the rising demands of an ever-increasing population.

In the past decade, growth in MBA programs has been 800%, BBA 19% and Ph. D in management 4%. Management education has seen rapid growth round the world, specifically in Europe and Asia. USA too has currently 1600 B-Schools, producing 100, 000 MBA's every year. Management education industry is supposed to worth, 800 billion dollar in USA[3]. However, this growth in India has been recent. At the time of inception of introducing MBA program, it was not accepted as a good idea, as corporate thought that business could not be taught within four walls, same opposition as the idea

of teaching entrepreneurship is facing now. Due to this, funding from corporate and support was not substantial, thus B-schools were mostly driven by academicians, and knowledge was imparted only through books and not through the experiences of the veterans.

Relentless efforts continued and a time came when MBA became a ticket to one of the best jobs of the century and their demand increased in the industrial circles. Opening of the Indian economy in 1991 and the adoption of LPG (Liberalization, Privatization & Globalization) model brought us face to face with the international standards and thus electives in terms of Finance, Marketing, Human Resource, International Business etc. were introduced. The All India Council for Technical Education was established by an act in 1987[4] as the main accreditation body for management courses. It recognizes programs based on multiple factor like “ resource availability, course structure, and infrastructure”[5]. Therefore, management education evolved in India.

Education as Input-Output model

Transformation Process

Output

Input

Fig. 1

Input-Process-Output

The education process resembles to the famous “ Input/ Output” model. The input in the education process being the student, the process is undergoing high, secondary, graduation and post graduation and acquiring knowledge

<https://assignbuster.com/growth-of-management-education-in-india/>

while going through these phases and the output is the best quality of the human capital produced after 20-22 years of learning. Therefore, we can say, education is more like an operation, but a prolonged one.

Indian Management Education framework

Components of Indian Management Education system

Teachers/ lecturers

Centers of Learning

Students

Accreditation Bodies

Graduates-BBA, BA, BCom, Bsc., B. Tech

All India Council of Technical Education

Teaching Institutes- B-schools

National Assessment and Accreditation Council

Training institutes- Finshiksha

University Affiliations

Fig. 2

SWOT Analysis

Strengths:

Management education seeds are sown very early with the introduction of subjects like commerce and economics in high school, thus strengthening the fundamentals.

Private education market is anticipated to reach \$68 billion by 2012.[6]These private institutions have made education accessible to the masses.

Common Aptitude Test i. e. CAT, eliminates the prospects of discrimination based on caste, creed and sex, thus promoting equality.

Weaknesses

Dearth of qualitative faculty members

Cost of Management education. Private schools charge exorbitant fees.

Benchmarking- Only 15 schools are globally benchmarked[7]

Low research initiatives and entrepreneurial activities

Opportunities

Globalization- It can be used to forge ties with more international B-schools and thus raise the standards of the students and institutions.

Improving standard of living of the Indian population has inclined them slightly toward preferring quality to quantity. Therefore, for good education, they do not mind paying a bit more.

Threats

Prevalence of the mindset that engineering or a medicine degree is best as graduation. Such students when enter MBA, it becomes difficult for them to grasp the ideas as fast as the students with a graduation in commercial studies do.

Youth in rural India is unable to access higher education in good institutions due to lack of funds. This results in destruction of talent, which could have been utilized.

Thus, a vicious circle seems to be forming, which indicates us that management education development is not an exclusive process but an all-inclusive one.

Fig. 3

Thus, one good result of reforms in education is that it will set the wheel of economy running thus replenishing almost all the sectors of the economy i. e. inclusive growth.

Some key issues related to the framework, are starker, than others are:

B-schools- Are they creating education?

The scope for creating education is lost amidst, the profit making motive of the B-schools. They have literally stopped contributing to the education as a field. Harvard, Wharton are not famous only for delivering world-class education but also for creating education, making new inputs to the field through “ Research”. For e. g. John Nash brought a new perspective to Adam Smith’s 150-year-old theory of Governing dynamics, through his research at

Princeton University[8]. Therefore, research is inevitable. It keeps the river of education flowing and prevents it from turning into a pond with stale water.

Infrastructure of a B-school plays an important part in development of the human capital. Many B-schools now days are running without adequate technological, social, literary facilities like computer support and a well-equipped library. Resource deficiency can be a roadblock in the learning process.

Teachers- With regard to teachers we face two problems:

Dearth of faculty- It is not only a problem in India but round the world. Why is it a graver problem in India? Because meeting the demands of increasing MBA aspirants is becoming difficult. People in India are not very keen on taking up a teaching career as it is deemed least lucrative. The rationale being, pay package is low and respect for a corporate czar is more than a professor.

Quality assurance at B-schools is also guaranteed by the profile of faculty teaching there. Faculty, which is at a higher point on the learning curve, brings to the table a complete new methodology of imparting knowledge. Moreover, a proper mix of academicians, visiting faculty and corporate interfaces in right proportion is also crucial to broaden the horizon of the students, hone their problem solving, and decision-making skills.

Teachers should perform four roles: Teacher, Consultant, Researcher and Trainer

Students: Students inducted in an MBA program, come from varied backgrounds, which bring new ideas and fresh perspectives to the table. Assessment criteria at B-schools tends to pay more focus on memory and grasping power of the students and still focuses on “rote learning”, which restricts the reasoning ability of students.

Institutional Governance-Internally an Institution is governed by Chairman and provosts (Deans, Heads of the departments etc.). Externally accreditation bodies are responsible to oversee their functioning and lately, they have not been doing their work properly. This is evident from the fact that recently Ministry of HRD had to cancel the accreditation of close to 44 deemed universities.[9] One of the reasons is that too many institutions guard the management development as seen in fig. 3. As “too many cooks spoil the broth”, similarly, multiplicity of institutions in charge of management education results in:

Wastage of resources in form of human capital, time and money

Delay in decision making

Benchmarking and Best practices- A survey conducted by COSMODE-Business Today, listing the top 50 B-schools in India unveiled the shortcoming of the institutions and their capabilities. Only five of all the schools were benchmark with the global standards, further 10 could just meet the requirements and rest scored below 40 percentile.[10]“

Benchmarking is analogous to the human learning process, and it has been described as a method of teaching an institution how to improve”[11]. Some of the best practices that institutions could adopt is:

<https://assignbuster.com/growth-of-management-education-in-india/>

Total Quality Management

Continuous Quality Improvement

Business Process Re-engineering

Customer or Product-oriented approach- B-schools mostly take students as customers. They lure students by offering free laptops, foreign trips and cutting down the program costs. Due to this approach, education becomes a business. Instead, students should be products for the institutions. The need of the hour is of a shift in focus from a customer centric to a product-oriented approach and meticulous efforts to make this product best in quality.

Reforms

So what is the solution? Reforms on paper carried forward with implementation in real. Reforms suggested are categorized on:

Political Reforms:

Establishment of one and only one body to take charge of the management education is very necessary.

The move to slash fees in B-schools by 80% in 2004 by Mr. Murli Manohar Joshi faced lot of criticism.[12]Government should trace out a path mid way, to slash the fees also and not to put too much burden on the treasury too.

Promoting OBC's and OBT's through reservation is a good idea but still, a vigil should be kept as to if someone is taking unscrupulous advantage of the reservation policy.

Roadmap for implementation: This can be done with the help of the UID(Unique Identification) authority, which will have all the details of an individual as soon as it is operational. (Although in Maharashtra it is going to be functional in a few days time) So anytime, a student from backward class applies, database can be tracked to see, whether he is poor enough to deserve the benefits or not.

Social reforms

The Alumni of the colleges should be encouraged to share their experiences with students currently studying through guest lectures. This will enhance industry-student interaction and teaching needs can be fulfilled with the availability of experienced faculty.

Roadmap: To facilitate same opportunities to students from not so privileged colleges, a big alumni event could be held once in a year by every IIM and other schools in the top 10 list, where they invite additional 20 schools to participate. At least top 10 or 20 B-schools could hold such events.

Pros: This will set the demand-supply balance of the opportunity and users right, unlike in past where, for 300 IIM students a huge alumni base would come to serve them the opportunities on plate.

Cons: Implementation will be difficult, because premier education institutes seek to maintain their autonomy and do not want to share the crème with anyone else.

Improvement in the quality of education is very necessary and that will come with improved faculty. Should not there be some professionalism in the development of teachers, too?

Roadmap: Holding a B. ed and then an MBA or a master's degree should be made compulsory for being a teacher for a Master's program. Why emphasizing on a B. ed degree? Because it is a basic degree in education and most of the times, faulty methodology of the teachers is the result of being unaware of the psyche of the students and the way of their learning. After all, students pursuing Master's are still “ students”.

A teacher induction program should be formulated, which imparts knowledge to them about the curriculum, methodology and other aspects of teaching. This will help him/her break his pre-conceived notions about the B-school and familiarize him/her with the culture.

Cons: One glitch is that the social reform suggested above is not just a reform; it is a vision, which will take many years to materialize. In addition, it requires changes in the thinking of the people that teachers are not accidents of life and so teaching as a profession should be treated with equal respect.

MBA has suddenly become the best degree and so everyone wants to pursue it, disregard of whether students are genuinely interested in it or not.

Roadmap: To stop this, counseling centers should be made accessible to the students passing out of each college and school in the country and for every

student in his/her final year of graduation degree, to have at least one seating with the counselor should be made mandatory.

Pros: This will have two benefits, first, we will know where our youth is going, and we can track the trend of penchant toward a particular job profile in its nascent stages and thus can promote the growth of that industry. Second, counseling is not a very popular profession. Establishment of career counseling centers on such a large scale, would demand human capital i. e. counselors and will open job opportunities for many people.

Economical reforms:

There are several courses, which students choose to pursue to increase their competitive advantage and to increase their knowledge base like NCFM by National Stock Exchange[13], India and Central Financial planner (CFP)[14]. Now that government has removed its subsidy on IIM students, it could lower down the cost associated with appearing for these qualifications.

Many companies voluntarily offer scholarship to students like Aditya Birla Scholarship. The idea is that why not government, to channelize the earnings of the business bigwigs as investment back into the society, announces a norm, that every company with a turnover of above a particular limit should run a scholarship giving Scheme.

Pros: First, for companies it will be a corporate social responsibility initiative. Second, Government will be saved from another subsidy burden

Cons: Convincing the business houses to spend their profit for the welfare of the people is a tough job.

According to a report in business Line, country's leading business newspaper, Government has relaxed the FDI limit in higher education, thus we can look forward to international collaborations.[15]

Technological Reforms

Computers are gaining ground but still major chunk of the country is untouched by the greatest discovery of the millennium. Government should continue the efforts. After all India has set a target of wiring its rural population of 750 million with computers and internet by 2010.[16]

Roadmap:

Computers used by the urban people and are 5 years old could be moved to the towns and villages, only for learning.

Most of the B-schools should have a full-fledged computer lab and access to at least one global library portal. This should be a mandatory norm, while providing accreditation.

Pros: This way, better infrastructure can be assured

Cons: It is difficult to transform the accreditation body and their criteria for recognition overnight. Thus, this will take time.

Many colleges run international Programs where a part of the curriculum is taught by the foreign lecturers. Instead of calling them all the way to India, Tele conferencing can help in saving costs.

Pros: Cost saved in importing professors and cost incurred on setting up a Tele Conferencing system is one time investment.

Cons: Some Institutes cannot even incur onetime cost due to lack of funds.

Concisely, these reforms come with advantages and disadvantages. They might take a lot of time to be approved and implemented, but once it is done, the revised framework would be much better.

Conclusion:

Indian Education System is claimed to be one of the best in the world because it churns out the best minds. However, in areas of education regarding management, it has to be more careful because MBA's are the ones who will hold our country in future. Plus management education doesn't help merely business students but everyone in general. Therefore development of management education will lead to an all Inclusive growth, the ultimate aim of the country.

Word count: 3274

Note: Word count is expressed here excluding references.