

Challenges of Current Management Education System of India &

Suggested Model for Value addition in it

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Abstract:

The present management education system of India is suffering from its worst phase. At one end, where due to globalization & liberalization, the expectation and competency requirements from management professionals are increasing day by day, there on another end, the overall commercialization of management education is worsening the quality of Indian management professionals badly. We use very traditional & non-valued management education system. Neither, we have valued system & curriculum nor the eligible students. Certainly, in such case, we can't produce the true management professionals, which can meet the global requirements. Here the author is trying to give a new valued format for management education. This paper is based on the recommendations of the renowned management philosophers as well the primary data collected from different segment of management practitioners like- students, faculties & industry persons. The paper reflects the major concerns of the current management education system as well as a suggested model to overcome from these issues and meet with the global standard requirements. This study is a small step to improve overall management education system of India to compete with the current industrial requirements.

Introduction

The verb manage comes from the Italian maneggiare (to handle — especially tools), which in turn derives from the Latin manus (hand). The French word mesagement (later ménagement) influenced the development in meaning of the English word management in the 17th and 18th centuries. It was the year of 1494, codification of double-keeping book-entry emerged & founded the preliminary shape of management practices¹.

Indian Business Education: an Overview

Business education has a long history in India dating back to the 19th century. India's first business school - Commercial School of Pachiappa Charities – was set up in 1886 in the southern city of Chennai². The first college-level business school was founded in 1913 in Mumbai (Sydenham College), and was soon followed by another in Delhi in 1920 (Commercial College, later renamed as Shri Ram College of Commerce). In 1950, the Department of Commerce of the Andhra University Started the first M.B.A. program in India. In 1963, Indian Institute of Management, Ahmedabad was set up in collaboration with the Harvard Business School. The 1950s and 1960s witnessed the growth of commerce education and 1970 and 1980s witnessed the growth of Management Education in India³. According to Cygnus estimates business education market in India is about Rs.30 billion in 2008 (campus and distance education together) and growing at a rate of 12% CAGR in last 3 years. Currently 1,550 business schools are producing over 100,000 management graduates every year⁴.

Employability Skills of MBA Students

¹ <http://www.responsive.co.nz/theory.html>

³ <http://www.aicomas.org/>

⁴ <http://www.cygnusindia.com/pdfs/TOC%20Business%20Education%20Report.pdf>

The post liberalization period witnessed a greater need of professional education. The concept of global village and the revolution in the area of information technology is increasing integration of economies around the globe & attainment of global competitiveness has become a necessity for the survival & growth. The liberalization of Indian economy has resulted in a highly competitive environment, great all round emphasis on technology, quality, and greater concern in society for the environmental issue & unprecedented development and use of information technology.

It is also felt in the era of globalization, that to meet out the challenges of change a private precondition for enhancing global competitiveness of Indian Industry is the creation of close, multilateral cooperative linkages among the government, industry, labor & academic. For this requirement includes institutions of higher education & research in management, science & technology etc. Liberalization & globalization has also provided a general for popping up of tens & hundreds of private commercial management courses & institutes but the very attitude, quality, ethics, standards, openness creativity, logistics etc. essential for professional are missing in most of the institutions of management education. The result is that management education in India today is in a sorry stage of disrepair, it does not mean that demand is going down but it is the result of bad quality production. If this will continue than Indian MBAs will hardly in demand as global managers⁵.

Out of 1,400 MBA colleges producing 100,000 MBA graduates annually, only 23 per cent of the MBA grads are employable, reveals a PAN India study by MeritTrac — an independent assessment company. On the other hand, India Inc's annual requirement is 128,000. Moreover A recent study by the Tata Institute of Social Sciences (Tiss) states that a majority of the students pursuing higher education like engineering, management, etc. are not industry-ready. In other words, our education system, including professional courses, is not

⁵ Dr. Ashutosh Priya, Reader & Dean (FD), Department of Management Studies, Amrapali Institute of Management & Computer Applications, Haldwani, UA

producing employable students. The survey also says that only 10% of fresh graduates are actually employable, while a study of MBA and engineering graduates reveals only 25% of them to be employable⁶. Unfortunately, Indian Business schools vary widely in terms of caliber of the faculty, Quality of curriculum, infrastructure & placement records. The academic standards of most of the business schools are pathetic.⁷

Concerns in Indian Management Education:

A recent research paper by Dr Bowonder, director, Tata Management Training Centre (TMTTC), Pune, and Prof SL Rao, Chairman, Board of Studies, AIMA-Centre for Management Studies on 'Management Education in India: Its evolution & some contemporary issues' seeks to identify the issues in the context of global trends in managing business education and attempts to give a possible direction for change. Many authors & philosophers identified various improvement areas in Indian management education. The TISS-Study survey points out that the lack of soft skills and confidence affects the employability factor of students passing out of colleges or B-schools. "There are some basic elements which are found missing in these graduates. These include soft skills like attitude, business ethics, confidence, communication skills, general awareness, basic managerial skills, domain knowledge and work experience," said Kishore B, who spearheaded the study. As part of its recommendations, the AIMA-sponsored study has suggested the setting up of a National Task Force to address major issues plaguing management education in India. The task force should consider setting up the All India Council for Management Education, quite independent of the AICTE, to monitor the functioning of the 1,000 odd management

⁶ http://www.dnaindia.com/academy/report_only-10pct-fresh-graduates-and-25pct-mba-passouts-are-employable-says-tiss-study_1455242

⁷ <http://www.iimahd.ernet.in/~subhash/pdfs/management%20education.pdf>

institutes, it says. This will ensure that there is an independent institutional mechanism to specifically deal with management education and also give it a new thrust⁸.

Industry-Interactive Management Education Model:

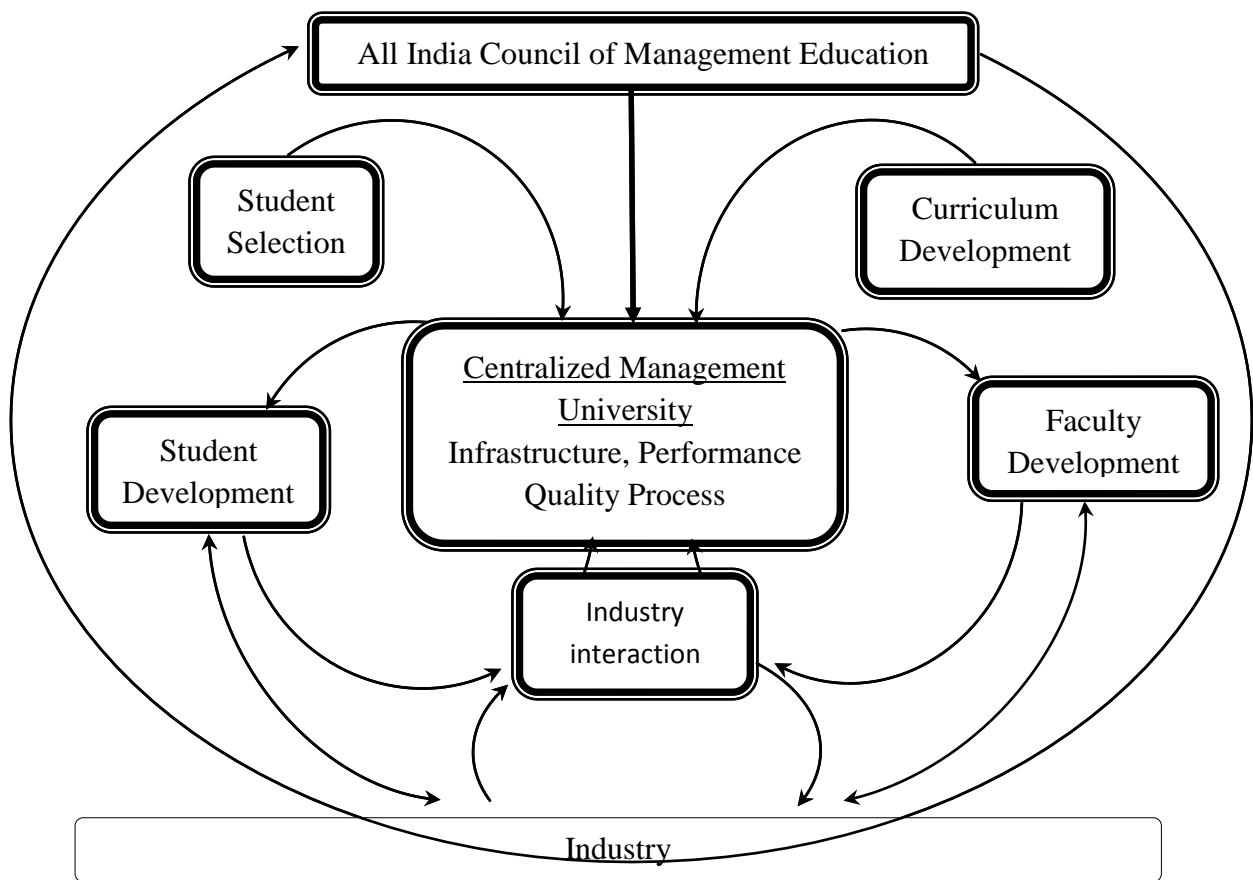


Fig.1: Industry Interactive Management Education Model

1) Regulation of Management Education

⁸ http://www.aima-ind.org/pdf/Director_Conclave_9_Paper.pdf

Most of the professional qualifications have very specific eligibility criteria e.g. - the eligibility for engineering program is 12th in science, for Pharmacy is biology, Computer Application is mathematics. Dissimilar to other programs the eligibility for management program is graduation in any stream. Moreover all the other programs are having 3-4 years course period, but MBA is two years program. These aspects make a big difference in between management program and other professional programs. Due to this, a common authority is not efficient to handle the MBA programs along with other professional programs. Many management professionals advocate this aspect, for the growth & development of management education.

“There are too many agencies dealing with management education. Management education must be the concern of the body created by law for governing management education – The All India Council for Technical Education and its subsidiary – The Board of Management studies. Combining the governance of technical and management education under one body was a mistake. A National Task Force on Management Education should be appointed. The Task Force needs to address the issues as stated in an article by Mr. R.Gopalakrishnan, former President, All India Management Association⁹.”

The major objective of this authority will be-

- *Setting quality standards for management education*
- *Application of Centralizing all the Management Programs in India*
- *Ensure sustainable improvement & growth in management education*
- *Ensuring Uniformity in management education*

2) Centralized Management University

⁹ Dr Bowonder, Director, Tata Management Training Centre (TMTTC), Pune, and Prof SL Rao, Chairman, Board of Studies, AIMA-Centre for Management Studies on 'Management Education in India: Its evolution & some contemporary issues

This body should ensure Uniformity in MBA Program by setting uniform standards for monitoring the operations of all management institutions. The body has to timely set the rules & regulation to upgrade the Indian Management Education. So that the non-productive & non-quality institutions numbers can be minimize. The major functions of this body are-

- a. Designing curriculum
- b. Faculty Recruitment
- c. Session Designing
- d. Exam conduction
- e. Student Performance evaluation
- f. MBA Institutes' Regulation etc

It is difficult to control the entire country's management institutions by single body. To make it more effective & efficient the university might have different vertical & horizontal arms span the country.

3) Specified Curriculum Development

The present curriculum of MBA program is not capable to develop the students as per the global requirements. The courses and programs must be in line with the requirements of the corporate world and other organizations. It means these must have regular inputs incorporated from these organizations and not based on some books authored by someone who either never had any exposure to the management career, consultancy or research or trying to bridge all the major practices in 2-3 pages. Presently most of the universities are having 8 to 9 subjects per semester, which is too high and lack slots for practical training. Here I am submitting a 'Five Semester' curriculum model with which the employability can be enhanced.

Semester	Focus	Subjects
I	Preliminary information of business world &	<ul style="list-style-type: none"> • Accounting

	<p>foundation course of Business practices.</p> <p>End Semester Exam will include additional paper of Business Reasoning. The Rank in Business Reasoning paper describes the Organization for second semester industrial training.</p>	<ul style="list-style-type: none"> ● Business Economics ● Professional Comm. ● Computer Proficiency ● Organization Behavior ● Business Law ● Business Aptitude
II	<p>On the basis of Rank in Business Reasoning paper, the students will be assigned to listed organization for six months Industrial Case work. After six month work the end semester exam will be conducted including- case handled during training period & Business Communication.</p>	<ul style="list-style-type: none"> ● Industrial Case Analysis ● Industrial Case Report ● Business Comm.
III	<p>In second year student will go through the class room training about different parts of management.</p>	<ul style="list-style-type: none"> ● Marketing Management ● H R Management ● Finance Management ● Info Tech Management ● Intern Business Mgmt. ● Business Mathematics
IV	<p>This semester also provide class training, about specialized management field in detail.</p>	<ul style="list-style-type: none"> ● Business Research ● Specialization I, II & III ● Business Aptitude
V	<p>This semester include in-room & industrial training both. The student will learn remaining</p>	<ul style="list-style-type: none"> ● Specialization IV, V, VI ● Industrial Project Work

	details about specialization subject & study a business problem.	(In listed organizations) <ul style="list-style-type: none"> ● Business Project Report
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4) Industry Involvement Assurance

The main objective of management program is to develop the graduates to handle corporate responsibilities effectively & efficiently. The role of industry is very vital to achieve this objective. There is none other better approach than trained the students by the industry itself. The central management body has to insure the active participation of industry in India Management Education system. The Participation might be as-

Involvement & Listing of Industries from 'Local market to national market to actively participation in to academics:

The central body has to list industry houses with which the education system will train its students & faculties regarding the past, present & future business practices. Moreover, his association will definitely improve the overall employability of students & placement status.

Industry involvement as Student Development:

The model suggests that after first & fourth semester, the students have to appear in Business Aptitude Test. In this test the university will award rank to the students as per their performance. On the basis of this ranking they will be assigned to the listed organization of their locality. In second semester student will work at executive level & handle a live case within these listed organization. After the semester, the student performance will evaluate on the case analysis report of that organization.

Industry involvement as Faculty Development:

The model suggests at least three month per year on-job training to the faculty members also. In a period of one year each faculty has to work at least for three months in the prelisted

organization. This will provide an opportunity to get more practical information to share with the students.

5) Redefining eligibility for MBA program

There should be a single national level test, on which entire admission process has to work. The admission must be on approach of the rank in entrance verses rank of institution. More over some criteria should be decided to give the admission for MBA program. No doubt the eligibility criteria of CAT are quite appreciable, but it should be applicable for all the admissions of MBA programs. This uniformity will definitely improve the overall quality of MBA degree holders.

6) Faculty Development

Apart of industrial working, certain quality up gradation practices has to inculcate by the management education authority. The faculties have to participate in mandatory examinations, Training Sessions and Faculty Development Activities in their specific subjects. The faculties have to use case studies only prior to teach any topic. The day to day corporate news has to discuss in the classes.

Conclusion:

To improve the employability of management students, the separate & practical approach is required for the management education system. Since the objective of management education is to develop the students for industry, we can't develop the students without the involving the industry. Therefore, the industrial education for students as well as faculty is much more required. In last, the authority persons have to think a lot about the uniformity & quality in management education system to improve the quality & employability of the students.

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