
Management Education: Issues and Challenges

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Abstract

Management education in India is quickly undergoing a drastic change. It has been the most demanding professional education after Engineering and Medical. We claim to be the best in management education; but the fact is that it is not up to the mark. It is necessary to realize that the management institutes vary widely in terms of Quality of Faculty, Curriculum, Placement record, etc. Problem is not only with the institutes. It is a three sided problem which also includes students and accreditation. If we really have the hunger to enhance quality of Management Education, first we need to commit ourselves. It would require effort from each and every individual to achieve and maintain the desired standards in management education. As we know, the word improvement starts with 'I', so if everyone initiates self-improvement, there would be a huge quality improvement in management education. In current scenario higher education is no more a matter of national policy and government regulations rather globalized affair and it is highly commercialized in the current educational institutes. In management education, quality has become a necessity for existence. This article attempts to identify the various issues and challenges which are required to improve and deliver quality management education in India.

Introduction

The development of management education can be traced back to 18th century. From 18th century to 21st century, management education has seen lot of changes and development. Management education in India is predominately a derivative of western management thought and practice. Occasionally, management schools draw some inferences from Indian epics, shastras and practices. It may be worthwhile to notice that management itself as a discipline has evolved from fundamental disciplines of philosophy, psychology, economics, accounting, computer science, mathematics, statistics and industrial engineering. In 21st century India witnessed a sea change in its educational system. Process of liberalization, privatization and globalization has not only replaced traditional approach with a more efficient professional approach; but also introduced new age courses in accordance with industry demand which have more economic value in today's time. Management education is one among those which got a new dimension with this changing time. Initially Marketing, Finance and Human Resource Management were considered as functional area of management, but now management education covers much more functional area like Operations, Information Technology, International Business, Supply Chain Management, retail and much more to add to the list. India has witnessed a continuing growth in this sphere of education because of the rising demand of trained management graduates. Management education has become one of the most sought after education today as a result of this; private sector has entered in Indian management scenario and invested an immense amount for this. Management education in India is not very old; it has taken its practical shape during early sixties with establishment of Indian Institute of Management to train the people with management concepts. Now management education is being offered as full time/part time MBA programmes by some leading universities in the country. Recently and particularly during the last 4-5 years

Keywords

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the country has witnessed a tremendous growth in the founding of management institutions most of them in private sector offering management programs in different functional areas of management. Concurrently, there is a mushrooming of B-schools in the country (over 2,500 institutes, of which about 1940 are certified by the All India Council for Technical Education (AICTE)), leading to issues of quality.

The shift of a manager's role in 21st century provides the context of the quality challenges faced by management schools. There are several challenges of management education, which require change in the character and structure of management education and integration of management education with the corporate sector. As the ground of management is dynamic in nature, new tools and techniques are always being introduced to improve the competency, efficiency and prosperity of any organization. So is the case with management education. Professional skills need to be acquired with practical knowledge, gradually making them experts in diagnosing the symptoms of industry problems. Just by limiting themselves to textbooks, students may not understand business situations as each situation is unique and requires exceptional solutions.

As the current business scenario is filled with challenges and risks, the purpose of management education is to prepare students thoroughly to face these challenges and risk. B-Schools should stress on training management faculties and further they should redesign management curricula intune with the changing dynamics of the global business environment. In short, managing education could become a diagnostic tool for all problems of the globalized world. Through case studies, the teaching community not only prepares students to meet the challenges of the changing times but also helps them in identifying and choosing a career to suit their knowledge, skills and aptitudes. Today one fundamental question comes, whether the curriculum of a business school can produce future leader of the corporation with required management skill to meet contemporary challenges.

Trends in Management Education in India

The management education plays an essential role in today's dynamic business environment. The rapid trend of globalization and technological changes have made difficult for organizations to survive in the competitive world. As a result the importance of management education has been increased many folds. There are more than 2500 B-schools in India where students pay a massive sum hoping to find their dream career after completing their program. Unfortunately these business schools are not even able to place more than 50% of student except few top B schools. This is really an issue for concern and various reasons can be attached to it. These reasons can be explained from institutes imparting education, from student seeking education, and affiliating authorities. Quality has deteriorated from both ends Institutes imparting education and student gaining education. There are fundamental issues of student input

quality. In addition, there are fundamental issues of academic delivery quality as most run-of-the-mill colleges spend less than 10 per cent of their revenues on actual academic delivery. Most college owners complain of not being able to have enough admission in spite of investing on college infrastructure and startup costs. And those that are able to fill capacity they admit anyone who applies for admission thus resulting in poor input, leading to poor placements. After the introduction of ranking system for business schools, they opted proactive approach in making changes, although focused primarily on product tinkering, packaging and marketing. It is clear that management education will emerge as one of the main distinct of higher learning, due to its growing demand. If business schools want to survive, have to focus on research to solve problems of enduring importance and to build such curricula that can actually prepare students to be effective in practicing the profession.

Emerging Issues and Challenges of Management Education in India

"It's not the biggest, the brightest, or the best that will survive, but those who adapt the quickest" - Charles Darwin

Management education in India has not tainted as per the requirement of the industry needs and before this gaps further broaden; appropriate steps need to be taken. In this section we aim to discuss various emerging issues of Management Education in India which can helps us getting rid of this gap and produce managers as per requirement of Industry and Society, respond to challenges that come with dynamics of internationalization. There have been various committees that suggested improvements in management education; there have been no noteworthy changes. Some of the common issues are as follows:

- **Absence of Dedicated Governmental Body:** In India governance of technical and management education is looked after by All India Council for Technical Education and its subsidiary the Board of Management Studies. Since both technical and management education have different requirement, so it definitely call for different body which could specifically look for issues related to improvement in management education which should be accountable for enabling independent institutional mechanism to specifically deal with management education that could lead to enhancement of standard of management education and give a new drive to management education. As stated in an article by Mr. R. Gopalakrishnan, a National Task Force on Management Education should be appointed that could look into the possibility of formation of All India Council of Management Education quite independent of AICTE. Issues like quality of faculty and research, interaction with industry and academia to produce world class managers, and other issues of importance should also be addressed.

Quality of Faculty: Those who do not get jobs in industries, where salaries are higher, get into teaching jobs and the third tier Institutes are happy to give them teaching work and if you browse the flashy bulletins of these MBA shops we never find the names of the faculty who teach subjects like Marketing, Finance and HR subjects. Despite the UGC requirements many of these third tier Institutes do not stipulate Ph.D requirements and even if they stipulate it is hard to get Ph.D Faculty because they prefer to get into First Tier Institutes than the third tier ones. Institutes also do not try to get Managers from Industries to come and share their live experience which itself will go a long way to sharpen the student's learn.

All India Council for Technical Education (AICTE) and University Grant Commission (UGC) has given sanctioning and affiliation to large number of institute, but are unable to produce competent faculty to teach in management courses, which created a huge demand supply gap and resulted in low standard quality of faculty. Institutes are engaged in appointing new faculty member (without experience) on low salaries and heavy teaching load which further deteriorate their quality and they are left with no time for further development, and involving part time faculty which had little or no involvement with the institutes. Generally, they give lecture prepared from textbooks or their company based experience if any. The quality of management remained inferior in the sense that they paid not enough attention to application of knowledge, understanding of concepts, development of managerial skills institutions.

- **Curriculum Design and Developing Material Relevant to the Indian Context:** Developing a curriculum is a challenging and difficult task and has to be continuously updated to keep pace with the advancement and corporate requirements. Curriculum should be changed or modified at regular interval of time to match the industry needs. But in most of Indian universities and B School it takes several years to get syllabus revised due to bureaucratic setup and some private B School also don't show much interest towards review of syllabus because it may call for appointing new faculty or updating existing faculty could be a costly issue. Institutes imparting management education should ensure to revise their syllabus. Course content need not just be latest but also country specific it has been observed phenomena that many of ideas and theories have been successful in the countries of their origin.
- **Emphasizing Research:** The management institutions do not provide proper environment that is supportive for research; they need to work in this direction. It not only leads to updating of knowledge in concerned subject, but also leads to knowledge creation. Promoting a research environment will requires change of mindset on the part of management. They need to look beyond just making

money. Management institutes should inculcate proper motivation and interest among the faculties for research. This can be done by providing incentives to faculty involved in research, giving due weight age to research activities in promotions and providing a good library support system. University Grant Commission has already taken step in this direction by giving due weightage to research and publication for promotions which need to be extended and implemented not only in government universities and institutes, but in all institutes imparting business education.

- **Corporate Governance for B-Schools:** Corporate Governance has been buzz words since last few months especially after financial turndown in U.S.A and Satyam case in India. Lack of corporate governance system is one of the major reasons for fall of quality management education. Corporate governance has to be made a part of accreditation. Government must takeaway the governance of management education from AICTE and a strong monitoring system and statutory reporting on the lines of SEBI, handled by independent management specialists should be imposed. Time has come to introduce independent audit committees for managing the B-Schools. Corporate governance should include mandatory disclosure by institutions and universities on faculties' qualification, books and journals in library, computer labs, placement records and other required information that could be useful for student while choosing institutions. According to UGC norms institutes have to display this all information on their websites and internet but there exist a difference between actual and information displayed on internet or filed with concerned statutory bodies. Corporate Governance should ensure a heavy penalty for any such variations. Very rarely have disobedient institutions been made answerable or penalized. Institutes are imparting courses on corporate governance, but they hardly practice.
- **Synchronization of Academic-Industry and Exposing to Real Business Issues:** Development of industry interaction is an evolutionary process. Industry interaction has to be given more weightage so that student can be exposed to real problems and exposure of industry. In present curriculum student are exposed to six to eight weeks training which is not sufficient enough to understand dynamics of industry in this world of liberalization and globalization. This need to be increased say to around full semester. Assessment should also be based on internship authenticity and learning. Exposing students to real life situations which are more complex, demanding, critical, will bring them closer to reality. When it comes to decision making, experience that lies with decision maker is detrimental. One of the issues that management education has to consider is the manner in which experiential learning elements could be enhanced. Faculty interaction with executives should be enhanced by increasing participation of industry experts in academics either by appointing them as

full time faculty or part time faculty or guest lecture. Institutions should be encouraged to arrange tie ups with business houses. The top B Schools strengths lie in their industry liasioning.

- **Customization of Specialization:** Customization or tailor made product is need of an hour. Every industry has its own set of challenges & dynamics which requires specific skill set and expertise. This could be only done by bringing specialization in concerned field. Management Education today is not just confined to areas as Marketing, Finance and Human Resource Management, its requirement is felt in growing areas of business such as international business, hospitalality management, disaster management, infrastructure management, ITES which needs faculty specialization, curricula customization, specific material development. Even though some B-Schools has taken initiative in extending boundaries of management education by introducing courses in disaster management, aviation management, financial services etc. but their course content is questionable and thus contributing to poor quality management education in India.
- **Inculcating a Global Mindset:** Learning is a relative concept. Today success depends how fast you are enhancing your knowledge, sharpening your skills and pace of your learning. In Globalization era where information is increasing at pace of Pico seconds mastering knowledge and skills have become essential. If India needs to compete globally we need manager with world class talent which calls for developing a new approach of imparting teaching and learning. Global mindset need to be developed .This means that each business school should create a differentiated mix of teaching and training to develop not managers but global mangers.
- **Motive-based Challenges:** The trouble with “management” education is that it has become business oriented or business education and leaving behind the distorted impression of management. Management education through BBA, MBA and so on in India have been imparted through three tier Management Institutes spread over the country. The first tier Institutes are the IIMs created in the sixties with US University collaboration like Harvard and MIT and are now flagship Institutes providing the quality products for the global and national enterprises. The second are those located in cities like Mumbai , Bangalore and other mega cities and do not carry the image of IIMs but these have some brand value links with bodies like All India Management Association and are spread over in hundreds across the country. The third tier Management Institutes located in small towns and growing Hill resorts like Rishikesh in Uttarkhand and they all brand themselves as approved by All India Council for Technical Education (AICTE) and other National Quality Control bodies like National Accreditation Board for Education and Training and so on. Many of these MBA Certificate Institutes, as many as 4000 plus, have mushroomed across the country without

any quality standards in teaching, research and handholding the students and make them employable. In Bangalore alone there are as many as 300 MBA Dukans - as one Tea Shop Keeper remarked! These third tier institutes spend enormously on false advertisements and claim to have top class faculty provide free lap tops, foreign trips and 100 per cent placement in branded banks, giant retail and manufacturing companies and so on. Some of these third tier institutes in small town are affiliated to State Universities where the seats are divided between merit students who pass the Common Admission Tests and State controlled entrance tests and so on and the remaining by payment of hefty donation hidden as fees to the Institutes. Sitting in Delhi bodies like UGC, AICTE have all earned corrupt reputation for their quality control and standards. The BBA , MBA programmes launched by hundreds of Institutes across the country have become as shops for degrees and the quality standards have gone down over the years and poor quality standards are reflected in poor teaching faculty, poor research and consulting leading to poor placement of the students who pass out from such Institutes .

- **Placement and Employability Issues:** Satish Pradhan Chief of HR of Tata Sons remarked that Job and Placement events in IIMs have become like cattle fairs of Pushkar in Rajasthan, where good looking and smart cattle are sold for the highest bidder. Similarly smart looking IIM Graduates are picked up from big bidders like Banks and Multinationals. He received angry protests from IIM Heads Unfortunately the third tier Management Institutes are not even able to hold cattle fairs because their MBAs are found to be not “employable” and employability is now the new mantra of the Recruiters. The three partners involved in producing Management Graduates in the third tier have to be blamed for the poor placement via the Bodies like AICTE, Universities which design the curriculum, the Institute Faculty who teach according to the curriculum and finally the Industries who recruit them. If the curriculum is unrelated to the needs of the Industries the fault lies with the Bodies who prescribe the Curriculum and the Industries who never tell their requirements to the Institutes who produce the Management Graduates. At the end the graduates suffer Infosys spend lot of their own funds to make their recruits fit for them for several months after they are recruited. Why not industries spend some time to tell the Institutes their skill sets and how they can be employable for them. CII Quality Institute should take a lead to bring together the Third Tier Institutes, The Curriculum Prescription bodies like the Universities, the AICTE and the Industries who finally recruit the MBA's and develop standards of teaching and subsequent placement. In the end **Quality Mantra in Management Education is not about ISO Certification or Accreditation but it is all about**

how the Management Graduates find good jobs to meet the needs of the fast growing industries and the economy.

Conclusion

It is time to recognize conventional MBA programs for what they are—or else to close them down. As of now, they are specialized training in the functions of business, not general educating in the practice of managing. Using the classroom to help develop people already practicing management is a fine idea, but pretending to create managers out of people who have never managed is a sham. It is time that our business schools gave proper attention to management. In above sections we discuss trends and contemporary issues faced by management education in India. The outcome of all this is that management education appears to be more relevant than ever in the “global era”. The ultimate challenge of management education approaches is to become more practical oriented and industry focus reason being theory-based developments and teachings are worthless, due to the fact that they will be of little use in concrete situations when a management issue arises. Management education need to be holistic, targeted and customized with aim to remove the gap that exist between industry requirements and academic curriculum focusing on attitude, corporate awareness, grooming and developing managerial skills. Industry interaction has to be strengthened by inviting senior person from industry to deliver lecture and ensuring student get associated with live industry projects. Learning needs to student centric resulting in development in all areas such as analytical reasoning, lateral thinking, and solving case studies and as such. Mentoring and career counseling has to be introduced. Most B-schools claim to have it but only as a lip service.

It can be concluded that three pillars of quality of management education are **Educational Institutes, Educational System and Faculties**. It can be concluded that in order to provide quality education the amount of efforts needed on the part of the *educational institutes is double that needed to be made by the educational system as a whole whereas the efforts needed on the part of the faculties is three times that of the educational system*. Now, I would like to conclude in the words of Mother Teresa, a lady who believed in the power of one individual’s contribution. “We ourselves feel that what we are doing is just a drop in an ocean. But the ocean would be less because of that missing drop.”

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