
Quality Parameters of Management Education in India

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Abstract

Education is the key to the resurgence of India. Our management education system has world's best education. Vitality of management education is facing a considerable amount of uncertainty and is significantly impacted by the general changes to global economics and the resulting social and cultural changes. Since management education determines the development and socio-economic condition of a nation, there is a greater need for high quality management education to produce skilled manpower in India. Now, the management institutes are mushrooming. The quality of managers this system is producing, is a constant worry. This paper is an attempt to study the present status of management education system in India and the successful parameters of management education to assure the quality of the graduating students.

Introduction

Globalization is a feature of the changing world. In the fast pace of globalization, the country has to develop its management education system to respond to the challenges arising out of the rapid changing environmental factors, including global competition, to cater to the developmental needs competitively and strategically. This seems to be a herculean task which requires constant and sincere efforts on part of the every stake-holder of the system. Despite the 150 years of experience with the modern system of higher education, we are yet to travel miles in order convert it into learning or experience curve advantage (Wright, 1936; Hirschmann, 1964; BCG, 1972; Abernathy & Wayne, 1974; Kiechel, 1981; Ghemawat, 1985). To translate this learning curve advantage into a comparative advantage in the era of globalization and privatization of the higher education, we need to develop deep into the intricacies of the environmental dynamism and to analyze its impact on the system of higher education in the country (Singh & Tripathi, 2006). The Indian higher education system, as it emerged during post independence it is no more a recent phenomenon in the world and since India is a major player of twenty first century we are facing its socio – economic impacts. Globalization is impacting the institutional framework in both developing and industrial countries. It is changing the way in which governments perceive their role in the society. It has also far reaching implications for socio economic development and educational systems of countries all over the World. With abundance of natural resources India has huge young and skilled man power to excel in every walk of life. Globalization has a multi-dimensional impact on the system of education. It promotes new tools & techniques in this area like E-learning, Flexible learning, Distance Education Programs and Overseas training.

Keywords

*Education & HR
Development, Management
skills, Management
Services*

Globalization: Education & HR Development in India

The quest for knowledge, truth and value has been the original reason for the pursuit of education throughout history. The roots of American educational system can be found in traditions of Plato and Aristotle and other Greek and Roman traditions. The rich heritage and philosophies embraced by the West have their roots in the Middle Eastern traditions and ideologies (Ozmon & Craver, 1999). History also indicates that the nations of the Far East such as China and Japan influenced by Confucianism have been in pursuit of knowledge, truth, and value. Education has been universally considered the medium that makes the pursuit of knowledge and truth possible. Advancements in communication, transportation and international relations have brought the nations together in many aspects of life such as the growth of technology, sciences and economy. The progress in any area of knowledge and expertise has created an interest among nations to scrutinize the educational system in the leading country's educational practices. For example in 1980s, American educators became interested in learning about the Japanese educational system when Japan became a leading power in industrial production.

The shift in philosophy means that many employers have strengthened the career focus of their human resources activities. The focus is no longer just, how can you best serve our company? Today the reality for most people is that they'll have to change employers (and perhaps careers) several times during their work lives. Employees therefore expect activities like selection, training and appraisal to serve their own longer term career needs, too. The emphasis now is thus on using HR activities and milestones (like annual appraisals) to facilitate career self analysis, development and management. Society for Human Resource Management survey report could have implications for the earnings, career prospects and engagement of the emerging workforce. Some management and leadership experts are forecasting difficulties ahead in engaging younger-generation. Therefore, there is a greater need for high quality management education to produce skilled manpower in India. Knowledge is the driving force in the rapidly changing globalizes economy and society. Quantity and quality of specialized human resources determine their competence in the global market. It is well known that the growth of the global economy has increased opportunities for those countries with good levels of education. Globalization will mean many different things for education. In the near future, "it will mean a more competitive and deregulated educational system modeled after free market but with more pressure on it to assure that the next generation of workers are prepared for some amorphous 'job market of 21st century'.

The benefits of globalization accrue to the countries with highly skilled human capital and it is a curse for the countries without such specialized human capital. Developing and transition countries are further challenged in a highly competitive world economy because their higher education systems are not adequately developed

for the creation and use of knowledge. Converting the challenges into opportunities depend on the rapidity at which they adapt to the changing environment. India is also following the same global phenomenon. As part of globalization, the economic reform packages were introduced in India in the beginning of 1991. These reform packages imposed a heavy compression on the public budgets on education sector, more specifically so on higher education. This has trickled down to public expenditure on education in general, and higher education in particular.

Indian government and Indian corporate sector has recognized the importance of management education in the changing global scenario. Today under the reforming economic conditions, integration of the Indian economy with world economy presupposes efficiency and competitiveness in the domestic front as well as in the international arena. As the process of globalization is technology-driven, and knowledge-driven, the very success of economic reform policies critically depends upon the competence of human capital. At present it is difficult to assess not only the nature and dimensions of globalization, but also what it means to the field of education. A few educational researchers have attempted to make connections between the several dimensions of globalization and the policies of education. India is witnessing new era in the field of Management Education. Many Corporate groups like Reliance, Nirma, Tata, Sterlite etc. have promoted Management Institutes. Some reputed foreign universities are also coming to India. A team of foreign educational experts visited India and met with Honourable Prime Minister Dr. Manmohan Singh and HRD Minister Mr. Kapil Sibal few days back. But Government should issue some guidelines so that fees structure remains within certain limit and those who are from economically poor background have same opportunity.

Globalization is expected to have a positive influence on the volume, quality and spread of knowledge through increased interaction among the various states. Today our educational system is strong enough but Central and state governments should change their roles within the education system, re-inventing themselves as facilitating and supervisory organizations. Teacher training, infrastructure and syllabuses need to be urgently upgraded. Industry should come forward to share experience with students and to offer more opportunities for live Projects. The free market philosophy has already entered the educational world in a big way. The last challenges of globalization— the flight of talent, benchmarking to global standards, the possibility of education as a business opportunity, and the mismatch between supply and demand – have a common thread running through them. Inflexible and overtly regulated education systems are unlikely to respond to these challenges (Mehta, 2006).

India's Competitive Advantage: Why India needs Management skills?

India and the Indians have undergone a paradigm shift. There have been fundamental and irreversible changes

in the economy, government policies, outlook of business and industry, and in the mindset of the Indians in general. From a shortage economy of food and foreign exchange, India has now become a surplus one. From an agro based economy, India has emerged as a service oriented one. From the low-growth of the past, the economy has become a high-growth one in the long-term. Having been an aid recipient, India is now joining the aid givers club.

Although India was late and slow in modernization of industry in general in the past, it is now a front-runner in the emerging Knowledge based New Economy. The Government is continuing its reform and liberalization not out of compulsion but out of conviction. Indian companies are no longer afraid of Multinational Companies. They have become globally competitive and many of them have become MNCs themselves. Fatalism and contentment of the Indian mindset have given way to optimism and ambition. Introvert and defensive approach have been replaced by outward-looking and confident attitude. In place of denial and sacrifice, the Indian value system has started recognizing seeking of satisfaction and happiness. The Indian culture, which looked down upon wealth as a sin and believed in simple living and high thinking, has started recognizing prosperity and success as acceptable and necessary goals. Indian management graduates no longer queue up for safe government jobs. They prefer and enjoy the challenges and risks of becoming entrepreneurs and global players in the emerging private sectors.

Stable country and institutions

India is being a largest democracy with stable, mature, vibrant and exemplary democratic governance and institutions, boasts lots of quality B-Schools attracting intellect student community in large number every year, Possess strong and transparent legal and accounting system, numerous watchful and proactive NGOs, free, vocal, alert and quality media. 5600 dailies with a combined circulation of 60 million, nearly 15000 weeklies and 20000 periodicals in 21 regional languages.

Consumer market

Large and growing market of 1 billion people out of which 300 million are middle class consumers. India offers a vibrant market of youth and vigor with 54% of population below 25 years of age. These young people will work harder, earn more and demand more from the market and thereby sustaining growth in the long-term. Every month, there is an addition of one million cell phone subscribers. By December 2005, the total number is expected to reach 100 million. The domestic demand is expected to double over the ten-year period from 1998 to 2007. The number of households with "high income" is expected to increase by 60% in the next four years to 44 million households.

Economy

India is a fastest growing economy that the developed nations always looking the country as a best global market to market the products. The fundamentals of the

Indian economy have become strong and sustainable. The macro-economic indicators are at present the best in the history of independent India with high growth, foreign exchange reserves, and foreign investment and robust increase in exports and low inflation and interest rates. India is the second fastest growing economy of the world at present. A unique feature of the transition of the Indian economy has been high growth with stability. The Indian economy has proved its strength and resilience when there have been crises in other parts of the world including Asia in recent years. The foreign exchange reserves have reached a record level of US\$ 100 billion as on 22nd December 2003. India is the sixth largest foreign exchange holder in the world. This is remarkable considering the fact that the foreign exchange reserves went under US\$ one billion in 1991 before the economic reforms started. This comfortable situation has facilitated further relaxation of foreign exchange restrictions and a gradual move towards greater capital account convertibility. The interest rate continues to be reduced and is around 6%. This is the lowest in the last thirty years and this is stimulating consumption and investment.

Agriculture

- ♦ One of the world's largest food producers (600 million tones).
- ♦ World's largest producer of milk, sugarcane and tea.
- ♦ Second largest exporter of rice, wheat, fruits, and vegetables. India produces 30 million tones of fruits and 59 million tones of vegetables.

Industry

- ♦ Diversified and large industrial base, which is becoming globally competitive. Examples, Tata Steel and NALCO are the lowest cost manufacturers of steel and aluminium in the world. Moser Baer is one of the top three manufacturers of CD Roms in the world. Bharat Forge is one of the leading suppliers to auto giants, such as Ford, General Motors, and Toyota.
- ♦ India's Hero Honda is the world's largest motorcycle manufacturer with 2002 production of 1.7 million units.
- ♦ The Indian companies have drawn up ambitious plans for expanding and diversifying their manufacturing activities with about 12 billion dollars in the next three years. Most of the companies have been able to generate the funds from their own operations. The areas whose output is being scaled up are automobiles, auto parts, metals, chemicals, pharmaceuticals and electronics.
- ♦ Some of the Indian companies have gone global with presence in 60 countries, including USA, Europe and China. India is one of the top ten

producers of bulk drugs in the world and 60% of India's bulk drugs production is exported. India has the highest number of annual bulk drugs filings (77) with USFDA. India is home to the largest number of pharma plants (61) approved by USFDA outside US.

- ♦ The chemical industry is becoming competitive and has very high growth potential for production for local market as well as exports. Bayer AG, the German chemical and pharmaceutical company has identified India as the outsourcing hub for basic and specialty chemicals.
- ♦ There are 150 biotechnology companies whose business is growing exponentially.
- ♦ The auto parts industry has emerged as one of the country's fastest-growing manufacturing sectors; this is expected to reach US\$ 8 billion in 2006. 'Bharat Forge' of India is the world's largest manufacturer of front axles for trucks. India has emerged as an outsourcing center for auto parts. Visteon and Delphi, the world's largest component manufacturers have entered India for production. Toyota is opening a transmission parts unit in India. Volvo and GM have set up purchasing offices. A rising share of Indian auto parts exports goes to original equipment manufacturers (OEMs). India is the second largest cement producer in the world with 110 million tons. India is the world's premier center for diamond cutting and polishing. Nine out of every 10 stones old in the world pass through India.

Important Management Services in India

Several institutes/universities also offer post-graduate diplomas of one to two-year duration on Business Management, Marketing Management, HRD, Personnel Management and Labor Welfare, Basic Finance, Financial Management, Materials Management, Operations Management, etc. But as a matter of rule, MBA degree is considered to be ideal by the job-seekers as well as the employers. Diplomas also assist in finding good openings, provided these are supplemented with some relevant experience.

If India wants to raise the standard of its economy to that of the economy of developed nations such as USA, UK, France, Germany and Japan, it should move forward. India has witnessed phenomenal growth of higher educational institutions, but contrary, the attraction of study abroad for Indian students has increased phenomenally. Only producing world's second largest pool of technocrats through such a system without much concern of quality would not let realize mission 2020. The major issues and concerns of Technical Education system related to quality technical education system and quality assurance as been addressed by many mechanisms, and government bodies.

The higher education system in India comprises of more than 17000 colleges, 20 central universities, 217 State Universities, 106 Deemed to Universities and 13 institutes of National importance. This number will soon inflate as the setting up of 30 more central universities, 8 new IITs, 7 IIMs and 5 new Indian Institutes of Science are now proposed. India has around 1400 Business schools accredited by All India Council for Technical education (AICTE) and produces management graduates seven times than that of United Kingdom. But we could not produce the best business leaders and managers across the world from our B Schools. We often glorify frequently about our quantity of management education but not about the quality. Presently Harvard University stands first in the top US list of B schools and INSEAD stands first in the non-US list of B schools in the world. What is the official ranking of Indian management institutions across the world? Unfortunately none of our B schools stands in the top 100 list. What ails our B schools? It is high time we introspected honestly and thoroughly.

Strategies for Quality Management Education in India

The Association of Management Development Institutions of South Asia (AMDISA), conducted a workshop on "What Price Quality? Towards a New Paradigm for Management Education". One presentation made by Dr. A.H. Kalro, former Director I.I.M. Kalkota. These thoughts are divided into two parts:- (1) How should Business Schools in South Asia organize themselves for Quality? (2) What should we be looking for among our Business graduates?

How should Business Schools organize themselves for quality?

1. Offer greater flexibility in program design e.g. mention was made of moving into new areas such as Health Care Management, Technology and Higher Education Management, Social enterprise management etc.
2. Accommodate cutting edge knowledge by greater customization and getting away from commoditization.
3. Provide greater choices to students in the areas about which they are passionate and have fewer compulsory courses.
4. There must be a change in the focus on what to deliver and how to deliver to make room for rapidly moving conditions
5. Introduce greater diversity in class rooms across disciplines, socioeconomic groups, gender and geography. Too many engineering graduates (90 percent among IIMs) entering MBA classes are not desirable.
6. Need to have greater diversity in faculty, bring in more global faculty, and send the existing faculty for exposure to best schools. Teaching sans research backing is sterile and does not excite the

bright students admitted to the best Management schools.

7. Promote Quality on all fronts including governance (the Boards should be drawn from men and women of high caliber from all walks of life) and in internal management
8. Instill and promote ethical conduct and values such as passion and commitment, contribution to community, breakthrough thinking and execution.
9. Establish closer linkages with the corporate sector, non profit sector, public sector, communities; have regular dialogues with private businesses and listen to their concerns.

What are we looking for in our graduates?

1. Pay more attention in classrooms towards understanding of the forces and impulses driving globalization and establish exchanges for students to go overseas
2. Instill qualities of leadership through multiple competencies such as IQ(Intelligence Quotient) , Emotional Quotient (EQ) , and Spiritual Quotient (SQ).
3. Prepare them for solving problems skills in a highly uncertain environment with the ability to think on the feet.
4. Develop the ability to introspect and reflect rather than accept received knowledge at face value.
5. Develop the ability to communicate, present, defend and persuade their ideas.
6. Inculcate an integrated, holistic multi-disciplinary approach rather than throw isolated snippets of disparate facts originating from one particular discipline.. Team teaching is one of the ways in which this can be promoted.
7. Nurture creativity and innovation rather than stick with the current single right answer approach. Don't give them fully cooked recipes and solutions but the tools to think, analyze and apply their knowledge In my informal networking contacts what impressed me most was the expanding linkages between top 20-30 Business Schools in India and the best global Business Schools.

Conclusion

Since "Life long jobs have been converted in to yearly contracts there is still possibility of even short duration jobs. Our Indian education system should deliver such education and training so that professionals can adjust themselves as per market expectations. It has underlined the need for reforms in the management educational system with particular reference to the wider utilization of information technology, giving productivity dimension to management education and emphasis on its research and development activities. Utility of Management

education is so high that students will be willing to spend their two years of expected income on such education. For Institutes to get good companies as clients branding should be a conscious effort of the institutions and that can be achieved by regular seminars and short courses conducted in association with the industry and industry associations. At the Indian School of Business as many as 100 foreign based faculty members visit for a few weeks to deliver the same modules which they are teaching at Kellogg, Wharton, London Business School etc.

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