

# **Future of Management Education: Challenges and Opportunities**

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## **Introduction**

Learning is a lifelong process of keeping abreast of change and most pressing task of any organization to teach people how to unlearn to shed off all that has become obsolete and learn new things and processes. Management education, intends to shape young people to develop the competency and capability either to be entrepreneur or a manager. . Apart from providing requisite skills and capabilities it provides an opportunity to network with others and promotes cross-cultural diversities. This capability does not necessarily always come from qualifying to possess a piece of paper the "degree" or "diploma" in Management, but by means of developing the will and skill. It is debatable how much of which is necessary to be a successful person, but it is fact that skill follows the will or attitude .

## **Objectives**

Management education in India started taking concrete shape during early 60's with establishment of IIMs. But the growth of institutions imparting management education was at snails speed until the economic reform process was initiated in last decade of twentieth century. This paper is an modest attempt to develop an understanding of the global challenges which management education is facing and suggest an innovation model to make Indian management system globally competitive.

## **Management Education at Cross Roads**

A SWOT analysis of management education in India reveals that the biggest strength of it is its versatile intellectual capital capable to draw knowledge and do networking across countries, inter-alia its prowess in English language, the intellectual tradition of encouraging diversity and open discussion. However, since management education is a recent phenomena, therefore, there is dearth of case study and study material, institute and industry linkage are not

that robust as ought to be and the pace of revision of curriculum is also very slow. Most of the institution in addition to these weakness have very poor research base, and still follow traditional evaluation system,

However, there ample opportunities, to shape management education in India and most prominent it has very prominent Bench Marks , the IIMs and others for improving quality, the rapidly growing education along with possibilities to modernize infrastructure, Increasing spending on research and development. The main threat are poor coverage of Indian business and socio economic environment, inadequacy to develop global prospective and , Less transparency in governance system and not to mention the political interference in policy making and management of the institutions which is reflected several times in the inability of AICTE to enforce the regulation.

It is a stupendous task to meet the faculty needs of rapidly expanding management institutes there is a acute shortage of management teacher particularly in functional area like marketing, finance and integrated subject like strategic management .most of the institute engaged in part time faculty selection. Institute should essentially have more visiting faculty with diversified and reach industry expedience but it could not be substitute of regular faculties with an excellent academic back ground with expertise in consultancy , teaching, research, and industry. To attract and retain good faculties the remuneration must be attractive and opportunities to them to regularly upgrade their skills.

While many of the industrialized nation have tested and adopted management practice that are in perfect harmony with their culture & tradition. India is yet to do this through systematic research and case study. However this issue is directly related with the availability of quality faculty , once the process of development of faculty gains momentum the relevant study

material will get developed gradually. Interlinked to this issue is the development of research base. Good faculty is also pre-requisite to it but simultaneously there is need to develop research culture and make research an organizational priority. and for it specific areas need to be identified.

The strength of management education institutions lies in their strong relationship with industry through teaching, research, student placements, problem solving and case study preparation. The present summer training is quite inadequate to give necessary exposure to students this need to be extend if possible up to one full term .

One of the emerging issues in management education is to identify the process to be adopted for implementation of an accreditation system. Accreditation needs to be separated from recognition. The accreditation has to be fair, transparent, independent as well as ruthless. Looking at the rapid growth in the number of Management institutes what we requires a specialized body like AACSB in USA rather than the all- encompassing AICTE to carry out accreditation. All India Council of Technical education (AICTE) that is responsible only for defining the basic framework for quality of the business education and approving entry and expansion of all institutions. Therefore a council exclusively for management education is needed, and the process of accreditation and recognition needs to be made separate.

Only these recommendation to face the challenges is not sufficient, to face future challenges and make Indian management education globally competitive innovation in management education is essential . For this ***Political , Economic ,Social l and technological ( PEST) analysis*** for management education is necessary, which acts as drivers for innovation.

<u><b>Political</b></u> <ul style="list-style-type: none"> <li>• Government policies</li> <li>• Political interference</li> <li>• Reservation system</li> </ul>	<u><b>Economic</b></u> <ul style="list-style-type: none"> <li>• Increasing course fee</li> <li>• MBA(money making business)</li> <li>• Increasing competition</li> <li>• Less FDI in education</li> </ul>
<u><b>Social</b></u> <ul style="list-style-type: none"> <li>• CSR</li> <li>• Brand name</li> <li>• Demographic structure</li> </ul>	<u><b>Technological</b></u> <ul style="list-style-type: none"> <li>• Accreditation system</li> <li>• Ease of access to information</li> </ul>

From the **pest analysis** given above good governance and transparency is an imperative. In India there is absence of a body that all institution look up to set standard like **AACSB** in USA. No doubt we have **AICTE** but it is a regulatory body which prescribes norms to be adhered. It does not rank Business schools as per their quality

Here comes the main question does there any need to make AICTE's management education as a profession established and approved independently by a special act of parliament, just like the **CA/ICWAI/ACS**, in India as the only recognized statutory professional organization . AICTE must be made and start functioning in line with institute likes the institute of cost and work accountancy of India .and the objective of such act could be:

As far as **social aspect** are concern future managers should know the practical aspects of work ethics, like how ethics can be developed, how they can be managed at workplace, how individual makes his/her values. But no management institute can produce such students, as this is not only value, but also skill. An institute can only enhance existing values/skills, but can't create them. Similar is case with CSR Business ethics which shouldn't be compromised. Decision making in such tricky issue like profit vs integrity, CSR should be there in organization's or not it depends upon the value system of the person. And value system can mostly developed in the environment in which he has completed his education

If we look **the economic aspect** of Indian management education reason for low quality of management education is mushrooming B schools. There is no harm if institution imparting management education are growing at a rapid pace . The issue is to improve quality with similar pace . In this regard management institutes should focuses on (a) **BENCH MARKING**, with world's best institute will give inspiration to grow qualitatively (b).**IMPROVING SKILLS**, to impart at least following 8 types of skills to make the students and institutes globally competitive ( refer figure 1).(c) **Globally competitive** institutions The steps which need to be followed to achieve global competitiveness are given in figure 2.

### **First step: Revising Value Chain**

The main aim of revising value chain is to create quality in management education and inculcate value in education system, It also tried to find out what value it ought to deliver to the world. For this the education system should look inwards into its value chain. And it should concentrate on few areas to revise its value chain ranging from selection of students, to

course curriculum, creating environment, selection of faculty and proper utilization & maintenance of intellectual resources

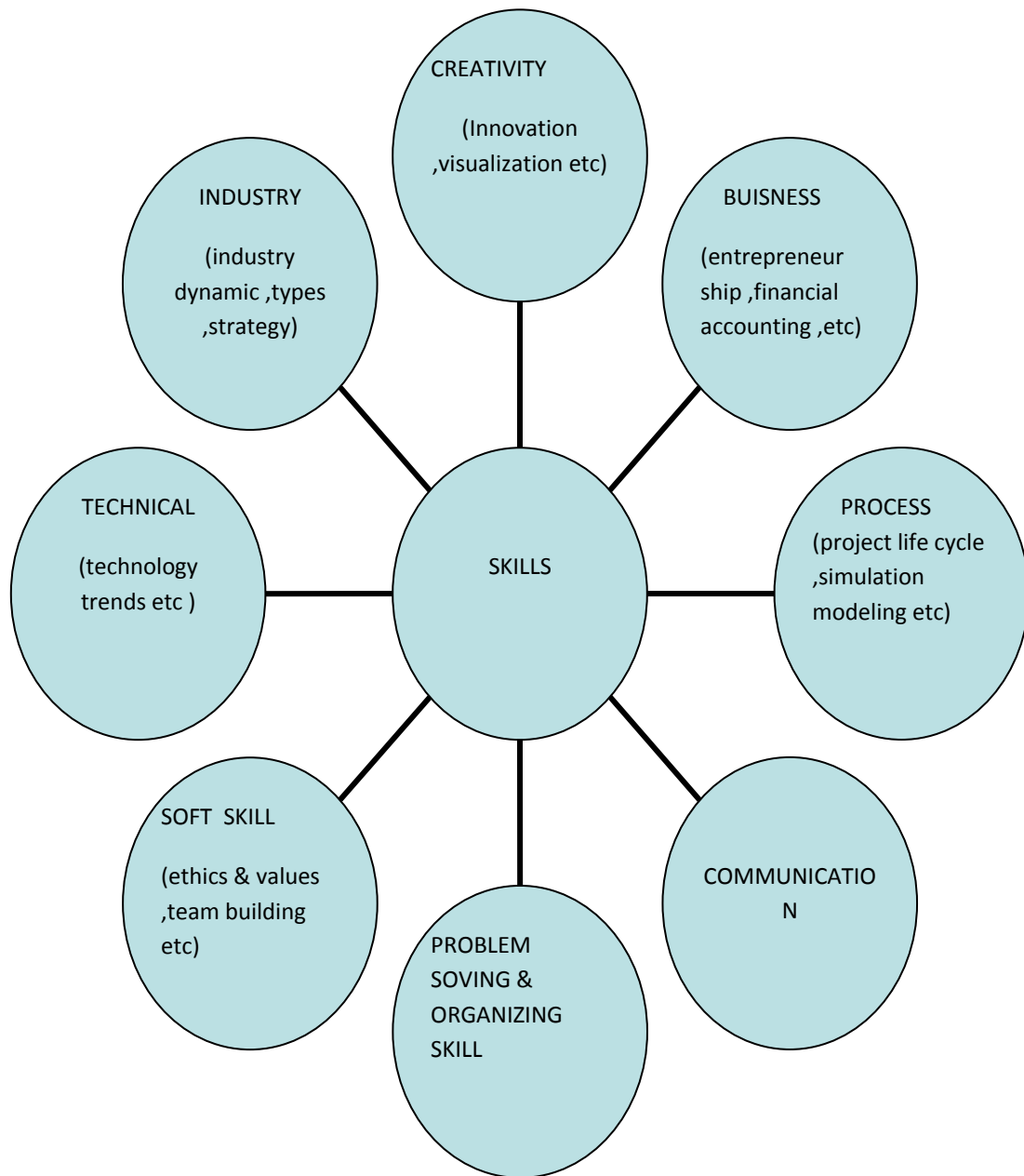
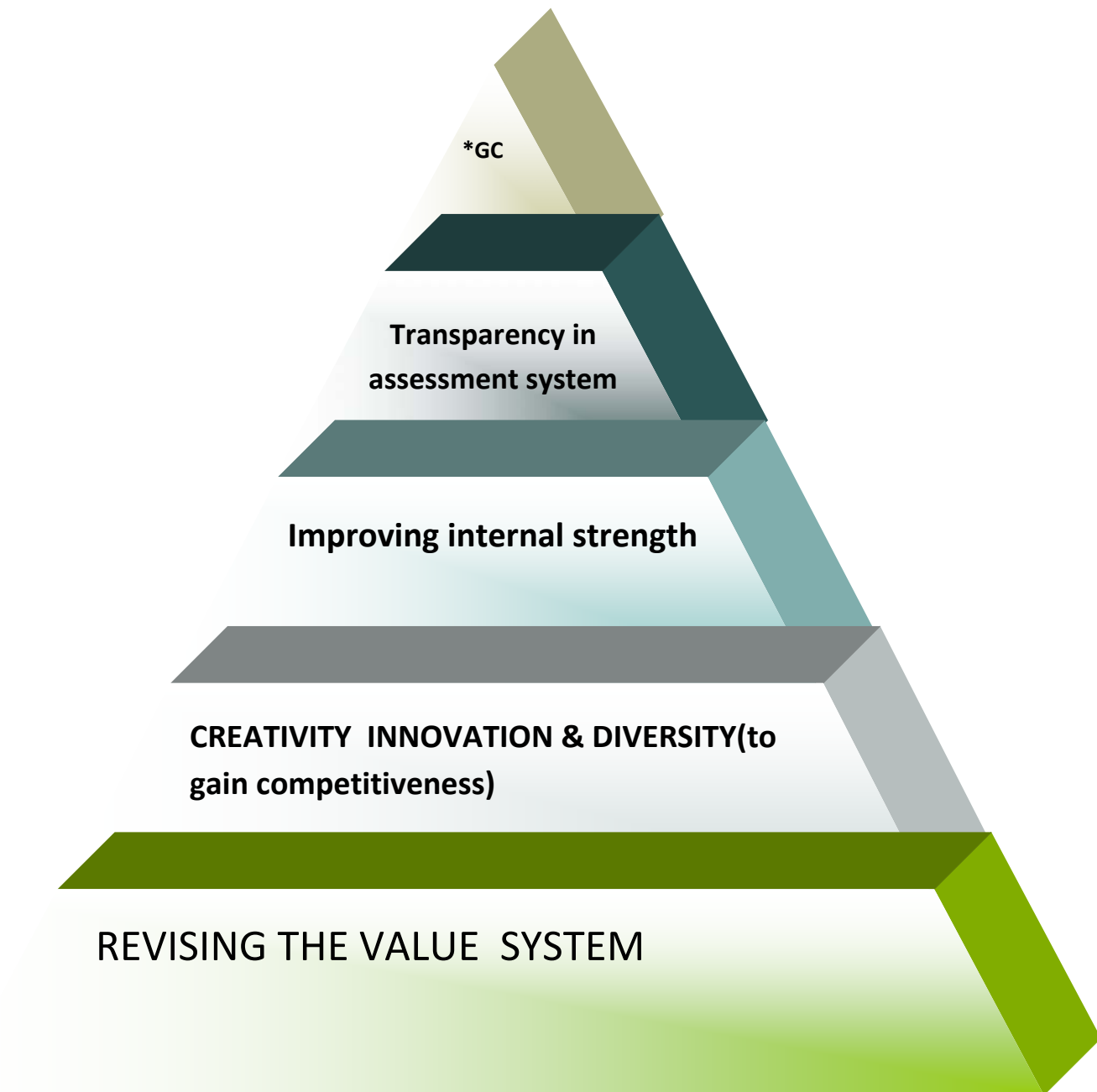


Figure 1.



**Global Competitiveness(GC)**

**Figure 2.**



## **Second step : Improve diversity creativity & innovation**

After revising value chain we need to improve diversity , creativity & innovation within the institution Management education required to experimenting with diversity and quality of education. Selection of student need to be widened and made diverse geographically, socially, economically student should be from diverse background and should have diverse professional experience.

Diversity is also require in exposure, perspectives, and expertise developed through resources & consultancy, faculty & staff

In case of curriculum, innovation should be done. Curriculum should be changed from a generalist prospective to regional ,market & sector or industry specific

In case of environment in B school , B school should apply creativity to create learning environment. Because creating a learning environment is something which business school yet to adopt. Learning environment can be created by welcoming new ideas from faculty, staffs, students, stakeholders and including education and resource finding. This can be done by motivating faculty & staff towards creativity and innovation. this process also helps in bench marking.

in case of faculty ,faculty must be world class with varied experience in industry & must have high credential & motivation for research. Faculty should have innovative approach in developing subjects.

## **THIRD STEP : building internal strength**

Internal strength should be build of an organization so that it can promote quality resources. for this we need to strengthen those area where already creativity and innovation has taken place.

Along with that we need to develop close partnership, both external & internal. those partnership should be encouraged at external as well as at the level of other schools business association , communities & social service organization.

#### **FORTH STEP: Transparent assessment system**

Transparent assessment system should be maintain to meet the long term objectives. Credible option to developed transparency are good accreditation system which I have already discuss above, & quality assurance system. for quality assurance bench marking is essential part  
If a educational institute will follow all these step then it can achieve global competitiveness.

#### **DEVELOPING A GLOBAL PERSPECTIVE: CASE OF AN INDIAN B'SCHOOL**

In the pursuit of developing a global perspective, collaboration with foreign institutions in areas of students exchange program, faculty exchange program, collaborative research and publications and organizing international conferences is something what needs to be emphasized. Besides that Students must develop a global mindset as future managers and for this they require international exposure. For this Several B-schools are striving hard and trying to move in the right direction in order to achieve global presence. The first step to develop a global prospective is to design curriculum or introducing new courses.

Lets take the case of **ISB** the leading business school in india which has aims to become the best business school in Asia and among the best in the world. February 1997 ISB was made the International Academic Council (IAC) to design the course curriculum . The council comprised 21 faculty members from leading global B-schools such as the University of Chicago, Harvard Business School, Stanford, Kellogg and Wharton. Moreover, several members of the ISB governing board, some distinguished entrepreneurs from Silicon Valley were also actively involved in designing the course curriculum.

Along with improving the course structure ISB has also entered into affiliation agreements with two of the world's most prestigious **B-school institutions - the Kellogg School of Management at Northwestern University and the Wharton School at the University of Pennsylvania.** These tie-ups helped ISB to facilitate communication and sharing of knowledge among their faculty and sharing of library facilities and global best practices in imparting management education.

Besides that ISB had excellent infrastructural facilities, at par with any world-class business school. These included an academic and learning centers and facilities for information **technology (IT), housing and entertainment for students.** The centrally located academic center at ISB included six lecture theatres with connectivity to a broadband communications network.. ISB has also taken several initiative to introduce different program .It introduced **GAMP** jointly with **INSEAD.** GAMP was a three-week program priced at **Rs. 600,000** and targeted the top brass of Indian companies with a presence abroad.

The program will be especially designed to focus on strategies for tackling challenges and seizing prospects in today's turbulent global business environment. It will also deal with strategies for overseas acquisitions. Along with all these ISB has unique placement model,along with pre placement talk the rolling placement program (RPP) has primarily instituted to boost lateral hiring in companies, since most of the ISB students has an average work experience of five years, were more suitable for middle and higher-level management positions. That's why Godrej said, "...students at ISB will have more of a global perspective than students elsewhere... a global perspective with an Asian touch will be the distinctive factor”

## **CONCLUSION**

So, it can be concluded that the existence of an institution shall depend upon the quality of education and training offered. The existing education in management is mainly large industry oriented to meet the domestic needs of manufacturing sector. Now it is the need to make management education as per the demand for managers for international Business, Information Technology, medium and small scale industries and for service sector.. For which immediate requirement is to shape the management education in accordance with the global changes and it can be achieve by global competitiveness with the total quality management.

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