

Management Education Issues and Concerns and its Impact on Society

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Abstract: Management Education became very popular in the last decade which made students gear for this course. After globalization with the advent of MNCs in India demand for management graduates increased in India which became a driving force in the development of management course. If we see the scenario in last four to five years we find that demand for management course is facing so many challenges. We are now at a condition where we need to think on the existence of management course. New professional courses are coming, job scenario is becoming critical, management education is becoming costly, quality of education is going down and many more reasons which is making the development scenario of the course very difficult. The paper basically focuses on the recent trends in the management education in India and its impact on society. The main concern of the paper is to highlight the major issues and concerns governing management education in India, in the present scenario. The study basically focuses on the issues of intake of MBA students, growth rate of MBA institutes and the employability of MBA graduates in India. Management Education has gone a transient change and there is a need to change the education system in this prevailing environment. Today it is facing many challenges and what are those challenges at India level is the concern of this paper. Broadly some of the issues which is very relevant is being focused in this paper.

Keywords: Globalisation, Management Education, Challenges, Professional Courses

1.Introduction

It was after globalization in the year 1991 that gave boost to management education in India. This led to the growing importance of offering this course at undergraduate and Post Graduate level. Management Education became very popular and students were attracted towards the course. The pattern of course was attractive and it offered professional outlook. The environment was suddenly changing. The time when people were fond of government job was decreasing the reason being management education offered lucrative job and high salary as well as job satisfaction. After liberalization the vacancies in government job was decreasing so students were shifting towards private sector. The growth of management education in India has been phenomenal. The first full-time MBA in India started way back in 1957, and the two IIMs in Calcutta and Ahmadabad appeared in 1961 and 62, respectively. Setting up of IIMs changed the professional education system in India. It is interesting to note these two B-Schools promoted by the Federal Govt. had the collaboration of Sloan School of Business, and Harvard B-School. The introduction of IIMs and other premier institutes increased the craze of management education in India. Within a span of 10 years Management institutes mushroomed in India. Reason for this

change was the fees and a profitable business model. Many other B-Schools emerged in the 60's and 70's. However, the real growth was from 1991 (the year of liberalization in India). There were a few other interesting developments. XLRI, Jamshedpur, the number one business school in the private sector opened its doors to MBA in 1966. The third IIM in Bangalore, appeared in 1973. And the 4th IIM in Lucknow was inaugurated in 1984. Two other important developments of this period were the legislative framework on regulation of engineering and management education in India that came into force in 1987, and the Association of Indian Management Schools (AIMS) that was inaugurated in 88. Today AIMS has in its membership nearly 450 Business Schools, and is the 2nd largest B-Schools association in the world. At the time of founding AIMS in August 1988, there were just about 100 B-Schools in India.

Objective

The paper is an effort to examine the current issues in management education system in India and to Discuss some of the facts in the present management education system so that business schools respond to current paradigms

Issues and Concerns

1. Overview of Management Education

Management field is basically a field of training and learning. It has acquired new dimensions today where management teaching is focused mainly towards practical input. The course was designed keeping in view the operations of business and management education has been impetus in giving boost to many companies. If we talk about Harvard Business School they were the pioneer. If we go as per annual report of AICTE 2012-13 there are in total 283 PGDM institutes and 3561 MBA institutes in India. Padmanabhan (1996) has proposed some of the issues in management education in the wake of today's economic scenario. He holds the view that Indian economy is going through the process of transformation and this is one of the reason behind the challenges of management education. If we see the growth of technical institutions in India for last five years it is growing every year.

Table 1: Growth of Technical Institutions in India

Growth of Technical Institutions in India	Mgmt
2008-09	1523
2009-10	1940
2010-11	2262
2011-12	2385
2012-13	2450
2015-16	3452

Source: AICTE Annual Report 2015-16

2. Growth of Intake in management institutes

Another issue in management education is the growing trend of Intake. If we analyse the increase in intake of management institutes in India it is 4lakh 31 thousand and 80 for the year 15-16. According to data available from AICTE only 3 lakh 54 thousand 4 hundred and 21 students took admission in MBA. There is a gap of 77 thousand 3 hundred and 59 seats not occupied. According to Philip Former director of IIM Bengaluru the requirement of managerial candidates in the Indian Market is between 35,000 to 40,000 every year . For this there are two reasons first lack of global skills and excess supply. With huge gap and excess supply increase in intake is a major issue which has to be rethought by colleges as well as approving body.

Growth of Technical Institution In India

Growth of Intake in Management Institutes	Mgmt
2008-09	149555
2009-10	179561
2010-11	277811
2011-12	352571
2012-13	385008
2015-16	350161
2016-17	329273

3. Research Grant and Research Promotion scheme

Under research promotion and NCP scheme at Country level 124 proposals were received out of which only 64 proposals were approved. This data also evidences the fact that state-wise if we analyse the proposal ratio there is huge disparity and if we see our state Chhattisgarh only two proposal was send by management institute for a grant of 4.9 lakh but only one proposal accepted and the grant received is 0.28 lakh. These figures only reflect the research interest of institute which is not properly implemented in our management education system. The management Institutions do not have culture that is supportive of research. Imbibing a research culture requires a good library support system. Scholars should be invited to undertake research in certain areas of national interest. Regarding the research grant procedure there is a need to support more to individual project proposals. Encourage to those institutes who have adequate support system to start Ph.D. programme.

Being a recent development of management discipline there is a shortage of Ph.D. guides & hence those who would like to pursue for research degree they are forced to register for their Ph.D. degree under the faculty of commerce. Many a times these Research guides in this field are unable to guide the candidates in the area of management.

4. Ensure Quality Faculty

Owing to the sanction of large number of B-Schools through AICTE resulted into shortages of qualified faculty. At present number of faculty members are without Ph.D. & research background. In fact, at the University level UGC expects either Ph.D. or NET/SET as an essential qualification in the selection process at college or University level. But due to shortages of faculty in management only a master's degree is enough to become a faculty member in the B-schools. In selection process industry experience has given a special weightage but due to shortages of faculty, the industry experience is also not being judged properly in number of cases. Quality education is today's demand so we need to ensure the quality of Faculty.

5. Faculty Development Programms

In order to create good teachers for B-schools, the faculty development programmes must be implemented on a large scale. Presently the teachers in the B.Schools are prepared on a trial & error basis at the cost of present generation of students who are the real sufferers. Recently, AICTE had informed to management institutes to depute their faculty members to undergo Faculty Development Programmes at the selected few centres but it is too inadequate. That will require another 5-10 years period to get the trained manpower with this system. Again the FDP programs which are implemented at the institutional level they are also not adequate & rich in their Quality. As a part of formality & conditions of the AICTE this activity is being implemented. In fact this scheme must be implemented at the regional levels throughout the country with the help of top ranking B-schools.

Moreover AICTE has no machinery to develop & train the faculty to teach management Courses with an applied basis. It is also observed that some of the institutions either engage parttime faculty or appoint them on contractual basis where they have a little involvement either with the institution or with the students.

Newly joined faculty members adopt only lecture methods & impart theoretical or conceptual knowledge to the students rather than brainstorming or its application.

New faculty members without any experience can not take-up the research or development of teaching materials & deliver only the lectures mainly drawn from the text books.

6. Evolve a proper system of Accreditation & Rating

In Indian management education it is one of the emerging issues is to identify the process to be adopted for implementation of an accreditation system. The accreditation has to be fair , transparent, independent as well as ruthless. The rapid growth in number of management

institutes require a specialized body rather than the all encompassing AICTE to carry out accreditation. Infact a council, exclusively for management education is required & the process of accreditation & recognition need to be made separate. Recently the (NKC) National Knowledge Commission has recommended rating as an additional measure to inform the students, the parents & the public of the Quality of Management education entity(MEE) because of mushrooming growth of schools in India. Many of which do not meet even the minimum requirements for the acceptable Quality. By requiring disclosure of information on rating a great service will be performed to all stake holders including students & recruiters. Hence, the group has recommended that all MEE must have mandatory rating.

7. Need to Create independent Institutional mechanism

There are too many agencies deal with management education. Management education must be a concern of the body created by law for Governing management education I.e. The All India Council for Technical education & its subsidiary. The Board of management studies Combining the technical & management education under one body was a mistake. A National Task Force (NTF) on Management education should be appointed. All India Management Association is of the opinion that there is a need of formation of All India Council for Management Education Quite independent of AICTE.

08. Develop reading materials relevant to Indian Context

It is observed that the ideas & concepts which are effective in the countries of their origin but have been less effective in Indian context. So also the management practices adopted in Industrialized countries are in perfect harmony with their culture & tradition, where as India has yet to do this exercise through systematic research & study. The materials available are not yet-specific or relevant to Indian context. There are very few B-schools in India now they have started concentrating on research as well as preparing reading materials relevant to Indian context namely ICFAI, Hyderabad, MDI, Gurgaon, XLRI, Jamshedpur & Welingkar, Mumbai.

09. Develop interaction with Industry

Except in case of top ranking B-schools, there are no mechanisms to forge close relationship between B-schools & industry groups. The main strength of top class B-schools like Kellogg, Wharton, Sloan & Harvard is their strong relationship with industry through teaching, research, student placements, problem solving & case study preparation. This issue in India is to make this happen in case of the low ranked B-schools in the country. There should be institutional mechanism for developing liaison with industry in each B-schools.

10. Corporate Governance of B-schools

As indicated by S.L.Rao, a major weakness is the lack of a Corporate Governance system in B-schools. This issue needs careful Consideration. There is a need to have independent Directors as

well as to implement independent Audit Committee for managing the B-schools. The B-schools should become process driven. Corporate governance has to be made an element of accreditations. Faculty development as well as faculty involvement in the administration needs to be a part of the Corporate governance agenda. Issues like Qualifications of faculty members, Size of libraries, & other academic as well as infrastructural facilities must also become a part of governance.

11. Need to broaden the specialization

There are some businesses which are Context specific to India. e.g. agricultural services, infrastructure management, Contract research, hospital management & NGO are rapidly growing areas in business. These business need customized management education. Curricula customization, Specific material development & faculty specialization are some of the neglected factors that led to poor Quality of management education in India. No doubt some of the B-schools have introduced MBA, program, focused on telecom, financial services & infrastructure management but still it requires more efforts on customization in order to broaden the Specialization. Some management schools across the country now offer specialised courses in areas ranging from logistics and supply chain management, to oil and gas management. But the number is few. We cannot say that management education demand is shrinking but we can say that now traditional courses have no scope as the demand of various other specializations are emerging in Industries. Chinese multinational Lenovo is among the companies looking to hire candidates with specialised MBA degrees. "In the last year, our requirement for them has shot up in the areas of analytics business in India," said Rohit Sandal, HR director of the PC maker in India. "We also have a marketing hub which does creative work for our Europe and US offices. These kinds of roles can be filled well by specialised MBA graduates," he said.

12. Create a global mindset

This is a era of globalization. Industry needs executives with world-class talent. The issue is how to inculcate a global mindset through the managers who act locally. The survey Conducted by Andrews & Tyson brought out some issues like. In the changing economic scenario at global level the important issue is to create executives with management & leadership capabilities on a world wide scale. The study shows that there has been a shift in Companies while recruiting from knowledge to skills attributes. Internationalization of business makes it necessary to have different knowledge & sets. The notion is that business schools graduates must have cross cultural knowledge & expertise which has steadily gained support & become an important goal & marker of achievement of many professional schools. As the business is getting global, day by day there is an increasing need for the institutions (B-schools) to produce global Managers. Therefore, it has become necessary that the Indian Management education should also become more global. The response to globalization of business is the globalization of Management education. But the biggest reason behind the decline in job offers to MBAs is the outdated curriculum.

13. Emerging New Courses

Dr. Balachandran director Glocal University writes that there is no slowdown with management education. The education should not be narrow and based on traditional functional subjects such as accounting, finance, marketing etc. The education providers are trying to prepare the students to take up leadership roles where they have to understand and operate with specialists in several subject areas and numerous diverse countries. This is an immense challenge to the educators that requires innovative management education thinkers. The fatigue you mention is failure on the part of management school in not recognizing the need of the modern day. Those who recognize are going ahead with vigour. He believes that there are several key facets we concentrate on. We make sure that students are well versed in English. Students are required to attend English classes, labs, give presentation in front of live audience. Small groups of students are formed where they practice their language skills in addition to working on their specified subject areas. The students are encouraged to organize the monthly speaker series where the students invite qualified speakers from industry, and organize the entire program. This will train them to operate in the real world at a leadership position. They should be encouraged to learn a foreign language.

Various Issues surround Management Education in India. Scenario is more or less same everywhere. Some have tried to change and many continue with the same traditional approach. Present situation has signaled us. Many institutes have shut down their shop and many will be forced to do in future so if we take measures we can save ourself. We have potential and our education system can be changed. Some of the strategies Business Schools should adopt are.

- The business schools must admit international students to the programme.
- The Indian management institutes are the only ones with no international participation.
- The B-schools should induct a few international faculties & provide an opportunity to the students to listen about other country's business culture & systems.
- The B-schools should provide an active programme of students & faculty exchange with advanced countries.
- To ensure that at least 25% of the curriculum deals with international subjects like international economics, International Marketing, International Financial Management or international Business Management etc.
- Indian B-schools should collaborate with some well known foreign B-schools by which Indian students can do part of their education in those institutes.
- Lastly the B-schools also collaborate with some foreign placement Consultancies to make sure at least some students can obtain jobs abroad.

CONCLUSION:-

As we are in third millennium, India's Management education is undergoing a major transition. Internationalization, cross cultures, strategic alliances, partnership & mergers are the new trends in management education. But Compared to US & Japan where do we stand? One of the important reasons of Japan's Climbing to the top ladder of Industrial world is that they believe in "developing people before developing products,"⁸ Indian management education has to think in this direction. Around 220 B-schools had shut down in the last two year in cities such as Delhi-NCR, Mumbai, Kolkata, Bangalore, Ahmedabad, Lucknow, Hyderabad, Dehradun etc. And at

least 120 more are expected to wind up in 2016. Low education quality coupled with the economic slowdown, from 2014 to 2016, campus recruitments have gone down by a whopping 45 per cent. We offer numerous specializations that are pertinent to today's business world. It will not be the traditional functional areas of business but concentrate on learning how the business world sees the areas and how managers can comprehend them to work effectively and most efficiently. We provide ample opportunities to students to specialize in multiple areas outside the traditional such as law, media, journalism, sports administration, management of health care, public enterprises, technological firms etc. Our program is innovative and gives ample time to develop their personality in a wholesome manner to become true global leaders. Exposure to industry is provided by inviting practitioners to our campus for interacting with the students and by placing them in useful internships. We should provide them opportunities in visit companies abroad and intern there. Towards achieving this end, we have an excellent and dedicated faculty and continue to develop them to be professionally competent.

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