ISSUES IN GLOBALIZING MANAGEMENT EDUCATION

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Abstract:

It is not a hidden fact that globalization has made a sea change in all walks of life whether be its political, social or cultural fabric. Thus it would be delusional to expect that the education sector would be untouched by it, least of all management education. In the wake of liberalization great changes occurred in the industry which prompted those in charge of management education to review their pedagogy style as per industry demand. The latter-day managers now have to widen their horizons and learn to adapt themselves in a brave new world.

With this objective in focus, our B-schools have to go global in their pedagogy and teaching methods to produce the quintessential 21st century manager. The traditional management education is morphing into executive education where managers are honing their knowledge base as well as their skills.

The industry milieu in the Global Village is very fragile and altering quickly. Thus it is essential to provide an updated education and skills set to aspiring managers to overcome their rigid mindset -THINK GLOBALY AND ACT LOCALLY. This study aims to provide some viable and pragmatic suggestions to achieve that objective, as well as it will also give a glare of exposure to some of the issues relating to the actualities of real anxieties of existing corporate planet.

Key Words: Globalisation; Management Education; Issues & Challenges; Industry; Academia.
Introduction

Management education around the world is currently in a state of flux. With the advent of globalization, the way we perceive our world has changed. The concepts of nation-state, ethnicity, culture, language and national character— all have undergone a rapid transformation. With globalization came the once novel and now the clichéd phrase- The Global Village. Every self-respecting individual now professes to be a part of the global community and rightly so.

Management is generally defined as the art of getting people together to accomplish desired goals and objectives efficiently and effectively. Management, per se as a discipline has been around only for a few decades. The world’s first MBA programme was offered by Harvard University, USA in 1908. Soon, other universities/colleges followed suit, and MBA in the years that followed emerged as a popular and coveted academic degree. As of now, an MBA is considered vital to an aspiring manager’s CV. Basic types of MBA are: Accelerated MBA, Part-time MBA, Executive MBA (EMBA) and Distance learning MBA. These days Dual MBA’s are also becoming commonplace, with an MBA degree coupled with an MS/MsC or LLB.

India could also not remain immune from the advances in management education worldwide. Management education in India dates back to pre-independence era. The first college level management institute was established in 1913 in Mumbai. Another college opened in Delhi in 1920. These business colleges taught the basics of trade and commerce to clerks and supervisors from fields as diverse as banking, transport, and accounting. The first Business School in India was Indian Institute of Social Welfare and Business Management, Kolkata, which was founded in 1953. In 1950, the Department of Commerce of the Andhra University started the first ever MBA programme in India. The All India Institute of Management and Labour welfare and the department of management, Delhi University came up in the year 1968. Now management education has come a long way since the early days and has morphed into a serious and huge business with more than 1500 institutes spread all over the country.
1.1 Growth of Business Schools in India

<table>
<thead>
<tr>
<th>Period</th>
<th>Number of B-Schools added</th>
<th>Average annual addition</th>
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</thead>
<tbody>
<tr>
<td>1950-1980 (30 years)</td>
<td>118</td>
<td>4</td>
</tr>
<tr>
<td>1980-1995 (15 years)</td>
<td>304</td>
<td>20</td>
</tr>
<tr>
<td>1995-2000 (5 years)</td>
<td>322</td>
<td>64</td>
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<tr>
<td>2000-2006 (6 years)</td>
<td>1017</td>
<td>169</td>
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Challenges and Issues

It is no secret that globalization integrates the world’s economy into one and gives an opportunity to developing nations to show their full potential. Emergence of world economies gives pace to develop business throughout the world which also creates new challenges for upcoming managers. In such a context the question arises as to how equipped are the upcoming managers from various B-Schools to cope with these challenges? If we try to answer this question then we would find that there still exists a wide gap between management education and real life business problems.

These are challenges and issues for the Industry as well as for the Academia:
Quality: Quality is the main area of concern where our management education is falling behind; the rapid proliferation of B-schools has seen a meteoric rise in quantity but a sharp dip in quality. Such a sad compromise and preference of quality over quantity ultimately produces half-baked semi-professionals who when faced with a complex business task fail the litmus test.

Lack of Soft Infrastructure: Most institutes face a severe shortage of faculty in key areas of management like Marketing, Human Resources, Economics, Information Technology, Accounting & Finance, Quantitative Methods and Production. Also, a very common problem faced by most mid and lower-rung management colleges is that they fail to attract good and competent faculty. Most teachers in such institutions do not have requisite qualifications. Not only this, most of them have little or no interaction with the industry. This causes the whole management education to take an academic and theoretical form and students never get to learn the practical side of it, thus stunting their development.

Lack of Facilities: The infrastructure and facilities often lack classrooms with multimedia and projection facilities, most up-to-date computers and peripherals and a first-rate library with compilation of books. Many institutes have a large student-teacher ratio, which leads to less attention per student.

Unsatisfactory Courses and Programs: The management courses run in our management institutions are often way too academic in nature. They fail to acquaint management students with the realities of market. Course books are often written by those who never had any experience with a career in management, consultancy or a background in research. Course material needs to have regular inputs incorporated from business organisations.

Lack of Networking: The institutes lack extensive arrangement with the corporate world and other organisations both at the national and the international level. This lack of networking, on the one hand, hampers the customary interaction of the seasoned
businesspeople with the students while, on the other hand, prevents these organisations of an opportunity to ascertain if the B-school is equipped to build up the required potential in the students. This also prevents these organizations from judging the students for placement when they complete their management course.

- **Insufficient Research work:** All reputed B-schools abroad encourage research and innovation. The case, however, in Indian management institutes is exact opposite. Though a little research is done in a few top management colleges, it is inadequate. Research done in middle and lower rung management institutes leaves much to be desired when it comes to quality. Most colleges do not encourage research at all and lay emphasis only on placement. This is the main reason why top global management gurus do not emerge from India, CK Prahlad and Ram Charan being notable exceptions. The fact remains that aping western management theories has not helped Indian businesses much. The need of the hour is to encourage research in a big way so that an indigenous management theory for the Indian business milieu might materialise. The top B-schools which are not accredited by AICTE/UGC should be recognised as soon as possible, so that they may introduce their own PhD programmes. In 21st century, India should aim at becoming the research hub of business.

- **Lack of Autonomy:** The management institutes need more autonomy. The colleges affiliated to different universities often lack financial and academic freedom. It forces them to toe the line of academic establishment and the government. They need both academic and financial freedom to upgrade their competencies. The former will be the key, and the latter, the major driver of progress of management education. Lack of autonomy breeds mediocrity and worse, stagnates education.

**Recommendations and Suggestions**

- **Produce Managers not B-school Pass-outs:** Whether it be industry abroad or in India, it needs good-at-his-job manager who is capable of handling the tasks assigned to him effectively after considering all relevancies in mind. No business organisation needs B-school pass-outs who though able to deliver theoretical spiel fluently, cut a sorry figure
when confronted with industry realities. It is imperative that our management institutes focus all their energies on producing competent, versatile managers who can wade through the sea of business problems successfully.

- **Sound Ethics:** Businesses aren’t only meant to gather money for their owners. In a modern welfare state like ours, they are the engines of growth and harbingers of progress of the nation. Sadly enough, the contemporary manager seems to have forgotten this role of industry and under the pressure of profit-making and faced with the sleaze and muck raked by his colleagues, pays back in the same coin. This explains why corporations worldwide command so low credibility. Empty promises and sham CSR publicity would not redeem their reputation. It is necessary to impart some ethics and values in management aspirants so that they might serve society.

- **Proper Governance:** There is a pressing need of proper governance to carry on the various activities of B-schools. There are several associations which are working towards the improvement of management education throughout the world. The Global Foundation for Management Education (GFME) put forward the various challenges and issues regarding management education. Our management institutes would do well to pay heed to such suggestions and recommendations.

- **Understand Local Needs and Aspirations:** In the race to go global overnight, many in the industry advocate that businesses need to broaden their outlook and get over the myopia which obstructs them from viewing the world at large as their market. All this is very good and rightly believed, but the problem arises when the managers start to forget or ignore the local people- the people with whom they have to deal with on a daily basis and who are most affected by their activities. In a large business undertaking, the people of the soil- the metaphorical and clichéd term for the locals-
should be consulted and their feelings, culture, traditions and customs respected. Unbridled industrialisation in an area without hearing the demands of those who are directly affected leads to unforeseen problems— as is observed in a recent few cases, the Tata Nano fiasco in Singur (West Bengal) and stalling of Posco’s steel plant in Orissa being two well publicised cases which are still fresh in public memory. An astute manager well understands the local sentiments and demands and learns from precedents. He does everything so as not to antagonise the local populace.

- **The Role of Government:** Though globalisation is generally understood as curtailing of government control on industry, yet in a newly opened developing economy such as ours, the role of government in the economic and business sphere is far from over. It is the government which exercises a strong control over the industry through various regulatory authorities. Not just that, it also owns several corporations- ONGC, BSNL, SAIL, etc. being just a few in the long list. Government policy and attitude towards a particular industry has a direct bearing on it. In such a scenario, the government has a responsibility to come out and help the industry- not as a dole but as assistance when it is needed. A strong nexus needs to be created between the government agencies, the private sector and the academia to contribute to industry growth. Efforts should also be focus on increasing the accountability and integrity of public service.

- **Emphasis on Employability and not Employment:** As the business environment in India got better, enormous growth opportunities were produced. In the wake of this, managerial skills came to be in a huge demand and hundreds of B-schools, some with a very seedy reputation and questionable credentials- set up shop overnight. Admission criteria were relaxed and MBA degrees are being handed out to those who clearly do not possess an iota of managerial aptitude. The sole focus of these institutes appears to produce management graduates who crave for employment and management looks like a green pasture to them. However, most of them are hardly any good and prove a liability for the organisation which hires them. Instead of churning out such unemployable amateurs in large number, they would do better if they admit a smaller batch but produce quality management students. Employability,
not employment should be guiding mantra and watchword of management institutes. The good ones always manage to land a good job.

- **Emphasise more on Sector based Studies:** As of now, very few institutes offer specialised sector based management programmes. This is in direct contrast to the situation in the West, where such courses (both short and long term) are commonplace. Some such courses include retail management, rural management, international business, footwear management, dairy management, crisis/disaster management, tourism, apparel management, etc., to name a few. The dearth of such specialised professional courses in effect means very few choices for a prospective management student. This makes most to turn to traditional specialisations in management, viz., marketing, human resources and financial management. This state of affairs has created an acute shortage of human resources skilled in and having a good understanding of the above mentioned sub-disciplines. There is a crying need to introduce short and long term management courses in these specialisations based on the talent and aptitude of prospective candidates. Also, awareness must be created about these so that they might become popular and accepted among students.

**Conclusion**

The fact that globalization has impacted the way we think and the way we act can hardly be stressed more. Unquestionably, it is here to stay and this fact is not going to change. The coming years will see more and more integration of world economy; the world will be more tightly knit and here will be an amalgamation of culture and industry. Surely, India too shall not be immune to this. It shall be caught in the vortex of the game called globalization and as experts predict, shall be at the helm of affairs (along with China) when it comes to world economic affairs. In such a situation, we need to gear up to the future challenges and ensure that we are not left behind in the race.

What we can do is, act now to overhaul our management education. As this paper amply provides evidence for, management education in India suffers from a myriad number of lacunae. It is absolutely imperative that our educationists, industry leaders, the government
and other stakeholders in management educations see the writing on the wall. Only by acting now can we change the picture. Doing it before time runs out is the only solution to salvage the situation and marching ahead.

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