

# Indian MBA education is at a crossroads

*Over the last six decades, the face of management education in India has changed. This change, and the need for it, is even more important today than ever, given the dynamics of the markets and businesses across the world. What is management education in India like today, and how does it need to improve?*

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Indian management education was started in India in the early sixties with an objective to produce leaders for the growing Indian industry. The fact that Indian Management education has contributed significantly to the Indian and global industry over the last 60 years simply cannot be denied. The management education which was started in India in a few universities and business schools in the early sixties has seen an unprecedented growth in the last two decades, more so after the education sector was opened up for private players. Today, there are around 4,000 business schools in India, with an estimated capacity to offer postgraduate degrees in management to more than four lakh students a year.

## The B-school reality

The present scenario suggests that the proliferation of management schools may have reached a saturation point in India, since we can see that except for

a few top business schools, many institutes are not able to fill their approved seats, while others have even started closing down their business of education. One of the prime reasons that is not difficult to deduce from this is that students want to pursue their management education only from premier institutes. Aspirants of this field of education want to join the industry at a lucrative salary after they graduate with their management degree. However, we are aware that a large number of these graduating students remain unemployed or under-employed, as the industry does not find them employable, often due to what can be termed as poor quality product. As a result, the students start losing interest in management education and begin looking for other options, including public sector and government jobs.

Reacting to the increasing gap between supply and demand, many schools have started paying attention to upgrade, rationalise and restructure their

course curriculum, research articles, and competence of the faculty members. Unfortunately, most of these schools had only a revenue agenda without any long term perspective.

## What is expected?

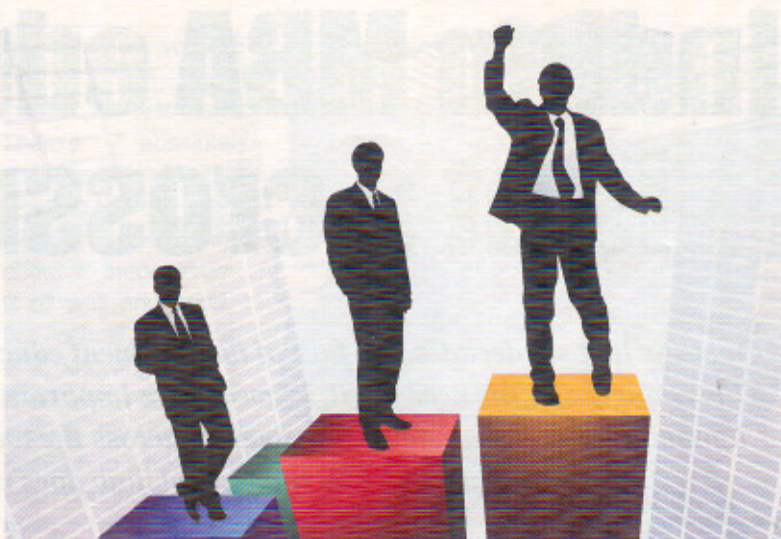
Management education today is at a crossroads and requires us to look back and analyse what went wrong and what needs to be done, especially with respect to the changed global economic scenario. Management education today has become globally competitive, and to compete globally, we need to have not just "teaching shops" but instead, centres of excellence; therefore, management schools that merely provide management degrees and not quality education will not be able to sustain in such a situation. Even business schools that have thrived in the past because of an excellence in their vision and mission statement will have to be agile in their approach, lest they too lose their hold to their global competitors. Past



glory does not guarantee future success, and institutes have to learn that they must embrace the challenging environment. They will need to adopt a proactive approach rather than a reactive one, and consequently need to update their curriculum, pedagogy and other infrastructure on a continuous basis. They need to focus on their research output and enhance the industry interaction. This is already happening in many circles.

### Creating all-round leaders

In view of the changed business environment, today's business schools need to focus on preparing leaders with sensitivity and a human face. Thus, the B-schools must sensitise their managers on the importance of business ethics and values, and should also inculcate these values to preserve the environment. In the race of generating more profits, they should not kill the conscience. Personal peace or spirituality should be another important component of the management education that must be provided by the B-schools. Students need to be exposed to on site practical experiences, and hence, the teaching pedagogy must reflect the real life situations in Indian businesses. Management schools need to simulate a business like environment in their classrooms, for which they have to interact with the practitioners in the industry. Merely teaching the western theory and models will not suffice — the institutes will need to understand the relevance and applications of these theories and models in other parts of the world. This doesn't include only the traditional functional areas, but also requires adopting a multi-disciplinary integrative approach.



### The executive MBA

There is a big demand for continuing executive education these days. After having put in a number of years in the industry in a job, the managers of today want to upgrade their skill sets and fill the gaps, and are thus looking for short term programmes from the established business schools. These schools must gear up to provide such competency-based short term programmes, which would be a win-win situation both for the industry and the institutes themselves. Again, many institutes have offered such short term programmes for years, while others are already understanding this need and beginning to offer them.

### Developing good faculty

However, in pursuit of excellence and to be agile, the B-schools need good faculty, besides good infrastructure in terms of library and IT resources. Unfortunately, this is a real challenge being faced by all B-schools in India. Since the teaching profession has a lower social acceptance in terms of compensation, etc, many bright young students are not joining this profession. The B-schools need to nurture and

retain a good pool of intellectual capital by making this profession more attractive. For this, help from working professionals would prove to be a good idea. The Indian thought leaders and policy makers have to prepare a long term plan to develop a large pool of quality faculty members. The established schools should take this onus in the larger national interest and thus, besides starting PhD level programmes, they should start faculty development programmes in large numbers.

Last but not the least, the business schools need to change their mindsets and not merely try to manage the institute based on the minimum criteria set for various aspects like student faculty ratio, infrastructure requirements, etc, all of which are set by the regulatory and/or the accreditation bodies. The B-schools need to prepare a vision document for the next 50 years. This will help them reorient their strategies from the short term gains to the long term objectives and thus avoid doing something just for the sake of standard requirements. It would instead provide an urge to compete with the best in the world. **A**