

## **Revisiting Management Education: Contemporary Imperatives**

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### **Abstract**

Globalization is a characteristic feature of today's world where products, technology, processes and services are demanded and available worldwide. To meet the growing needs of a globalized economy, Management Institutes are required to play a vital role. In an aim to proliferate higher education, business schools have been established across the length and breadth of the country. Arguments are galore as to the need of such institutions when there are examples of great people who without any formal management education have created and lead great organizations. But the demands of a globalized economy is such that there is worldwide approval for some kind of formal management education and training being very essential to build and mould global managers who have to strategize at an international level. But all is not well with the current state of management education. There are numerous bottlenecks that have to be addressed immediately to provide the required impetus to the economy through quality managers.

Management education is playing a crucial role in the current business scenario. As a field of study and practice, it has emerged as one of the stimulants for economic development of the nation. In an ever changing environment it helps maintain equilibrium between an organization's strategies and environmental demands. Business organizations have gained a lot from a professional approach to management education.

Management basically comprises of five functions- Planning, Organizing, Leading, Controlling and coordinating. An individual who performs these is called as a 'manager'. To perform these functions, a manager needs to have a formal education and training (more so

in a globalized scenario) and the institutions that teach management skills called 'Business schools or B-school' are emerging in large numbers.

#### Structure of Management Education in India

- Institutes of National Importance- IIMs
- University departments & colleges affiliated to them
- Non-University autonomous institutes
- Distance / correspondence institutes
- Corporate universities

[ India is the second largest producer of management graduates next to US and the demand is ever increasing because of the tremendous growth in the economy- India's is the second fastest growing economy in the world after China ]

#### Relevance of a formal mode of educating future managers

Some type of management exists in every type of human organization. Managers through their diligence and efforts consciously and continuously shape organizations and help achieve various goals. But without good management, they are likely to founder. There is no substitute for good management. Someone once said "Good Management is merely the exercise of common sense and the Golden Rule". The problem with this definition is good sense is not so common and whoever owns the gold makes the rules- in most organizations for the better or the worse. Determining goals, prioritizing action plans and effective allocation and utilization of resources requires a lot of conceptual business knowledge, good judgment and lots of practice. A well designed and delivered management course will help individuals gain functional knowledge of business along with the required skills of leading and motivating people from the front. A formal education and training in management is vital to drive and direct organizations to success in an intensively competitive globalized economy. Management students and practitioners have served and continue to serve industries with the best of managerial practices and can do things differently and effectively. B-schools do not only help build managers who propel business goals and strategies but also entrepreneurs. Hence existence of B-schools are very vital in this era where managers are

required to integrate multiple skills, evolve knowledge systems and new business models to meet global challenges.

### **Issues and Concerns**

Changing demands of the marketplace due to globalization, strategizing at a global level, cross border capital and cultural management, emergence of new business models and other complexities of global environment- all have made B-schools rethink on designing their curricula and delivery methods. The bane of most of the B-schools is the rigidity in their curricula, adhering to the old methodologies and curriculum which fail to respond to evolving business needs. The emerging trends in business fail to find a place in the curricula of B-schools. It ignores the market place realities and also fails to address the needs of developing skills in future managers such as leadership, communication, negotiation, decision making and so on which are very critical for global managers and this proves costly for them in the long run, challenging their very survival.

B-schools position themselves as creators of global managers but most of them fail in this endeavor because curriculum is less industry focused and global. This has led to certain organizations introducing their own In-house accredited training programmes to prepare managers and hence B-schools are gradually moving to a sideline position in management education.

Another area for concern is the delivery methods adopted by most B-schools. They fail to use an integrated approach combining class-room lectures, case analysis, simulations, role-plays, internship training, live projects, seminars, experience sharing and workshops which are essential to groom global managers. Technology is seldom used as a tool for teaching in most schools. A well- designed curriculum will fail to achieve its objective if it is not well delivered.

A great challenge for B-schools is to meet the demand for faculty members to be productive teachers and quality researchers. 'Faculty' is one of the most crucial factors in management education process. A highly knowledgeable and dedicated faculty serves as a core competence for B-schools in an era where management institutes are sprawling in large

numbers. Most of the B-schools are facing an acute shortage of faculty experts and more so in certain specialized areas such as finance, strategic management, International Business. A significant proportion of the teachers are Visiting Faculty who teaches at more than one institute owing little or no commitment to anyone. Though B-schools produce thousands of management graduates every year, they find attracting teaching talent an uphill task. Becoming a full-time academician is not an attractive career option for high performing students. High paying corporate jobs with rapid career progression opportunities have become the first choice of employment for them. Low salary coupled with uncertainty of long term career objectives does not make teaching a sought after career option. [The initial salary offered to IIM graduates by companies who visit their campus for placements is nearly fourfold when compared to their professor's salary]. Also creation of corporate universities has posed a challenge to traditional universities and B-schools in attracting and retaining talent. They are facing a flight of talent now like never before.

Not just ensuring required faculty in *numbers* is a challenging task but also the quality of available teaching force is of concern. Effective teaching is the basis for effective learning. New faculty members have no exposure to best industry practices and also lack teaching skills. Research generated knowledge is a fundamental requirement for teaching and many institutions do not give prominence to academic research by faculty. Research is a time consuming process and due to the additional teaching load which the faculty are called upon to shoulder to make up for the shortage, research is not on the priority list.

Due to all these factors many B-schools are being accused of doing a mediocre job at preparing students for the corporate world.

Flexible Learning Programmes such as Distance Learning, Online Programmes, short duration executive development programmes are mushrooming as information technology with respect to remote teaching has facilitated this avenue and more and more students and executives are taking to this mode of education. These programmes are extremely heterogeneous, ranging from a web-based provision of course material to lectures with online support and fully online study courses. The need for equipping oneself with

managerial skills which are essential for today's business, cost of studying full-time, the forgone salary- all have made flexible learning mode highly popular as it offers opportunities to learn without any disruptions of job commitments. But the challenge here is distance learning / e-learning cannot always convey contents adequately and also disregards the social components of learning. The content and delivery has to receive primary focus to make such programmes effective so that it caters to those who cannot afford full-time education such that the 'value added' effect of such programmes is immediately felt.

Another challenge faced by management schools is linking with industry. Linkages are inevitable to meet challenges of globalization. The mutual benefits of such linkages are enormous but are yet to be realized. The thrust areas in such interactions are – teaching, training, consultancy, research and placement. Collaborations between academics and industry help in creating programmes to support each other's needs. To prepare successful business leaders for tomorrow, it is important to bridge the intelligence gap between academia and business. But it is definitely a challenge for management institutes to tie up with corporate. The article *How Business Schools Lost their Way* in HBR, May 2005, discusses how top B-schools have lost their relevance with the business community. The need of the hour is to upgrade curricula, faculty, infrastructure to create credibility and foster industry interactions as they are very necessary to build global managers. This indeed is a great challenge.

### **What needs to be done?**

India is propelling its economic trajectory to become a superpower and to ensure this we must have a strong industrial and economic base with dynamic managers in the forefront. This necessitates strategic changes in the management education system in India.

\*Curriculum reform to align B-school perspective to industry priorities: Business schools should seek inputs from industry in curriculum development. Business models world over are constantly and rapidly changing. The current and future strategic needs of business must be reflected in the curriculum to prepare future global managers with a milieu of

management practices of East and West. Learning modules that are customized exactly to suit learner's needs must be evolved.

\* Soft skills must be made an integral part of the syllabus. Communication, leadership, cross-cultural management, team building, problem-solving are a few of the many different kinds of skills required to perform effectively and efficiently in a globalized economy. Businesses require managers who can articulate their thoughts, communicate effectively, lead and collaborate in a multicultural environment; not just people who blindly apply B-school formulae.

\*Technology integrated pedagogy: Teachers need to know about curriculum resources and technologies to connect their students with sources of information and knowledge that allow them to explore ideas, acquire and synthesize information, and frame and solve problems. Blended Learning i.e., a combination of conventional learning and virtual components of e-learning using media and methods should be adopted.

\*B-School Differentiation: Almost all the MBA programs offered by various institutes in our country are similar. In the sense the future managers who emerge are generalists in their approach. We require institutes some of whom specialize in producing business strategists, some quantitative analysts, investment bankers and so on. B-schools must position themselves as producing specialists in the management field who can carve a niche for themselves in the corporate world.

\*Talent Management practices should be initiated at B-schools on a similar line in industry: Faculty development should be emphasized. Faculty should be trained in the area of current and emerging trends. They must be trained to use technology to deliver course content. Faculty must be sponsored by their institutes to spend quality time in companies and to get the required industrial exposure which can be transferred to their students. An academic research orientation should be instilled in the faculty. Their work load should include research and publications and institutions should adequately reward and compensate such endeavors. B-schools can inter-link among themselves to facilitate Faculty Exchange Programmes and sharing of expertise. An attractive salary package with career growth

opportunities will enhance the reputation of teaching as a career option.

\*Team-Teaching - A particular topic/ subject / specific assignment can be jointly handled by an academician and an executive or expert from the industry.

\*A strong industry-institution relationship should be developed so that mutual benefits can be reaped. Exchange of faculty and executives between institutions and industry for teaching, executive development, faculty development, research, internships for students should be encouraged. Industry consortia such as CII, FICCI and others should closely work with B-schools. They can help in evaluating the quality of B-schools and bring in valuable inputs. A stimulating partnership with the industry will help a management school maintain a competitive edge.

### **Trends in Management Education**

Instead of two-year , multi-disciplinary management programmes which are currently being offered by most B-schools, shorter ( 1 year) highly specialized courses will be more popular and sought by many.

Economy is shifting from manufacturing to services and emergence of the sunrise sector (telecom, insurance, retaining) have created new and important roles for women. A noticeable trend is the reducing gap in the gender ratio in management schools. More and more girls are enrolling in B-schools which were earlier completely dominated by males.

Faculty Consulting is an area which is receiving a lot of emphasis. Some B-schools are setting aside some faculty time for consulting activities. Companies are entering into private consulting agreement with B-school faculty. This will gradually lead to emergence of specialized consulting cells within the institution.

More emphasis of social entrepreneurship in management programmes is also another emerging trend. Social entrepreneurship applies business entrepreneurship to societal problems. In the coming years this will be treated as a discipline and incorporated into the core curricula of B-schools, with a structured approach to create sustainable solutions to change society for the better.

Corporate Universities / Virtual Corporate Universities are another growing trend in the management education sector. A Corporate University is an educational organization established and run by a corporate that serves as an umbrella for all company's training and education. (A Virtual Corporate University is one which imparts education and training through technology rather than in traditional classroom settings). Disney University, McDonald's Hamburger University, Dell University, Motorola University, GE's Crotonville are some the well-known corporate universities. The emerging trend is that not only large companies but a number of small growing businesses are introducing their own 'universities'.

Cross Border Management education is another emerging trend. It is the delivery of education in one country that originated from another country. It is the educational service going to the student across national borders instead of the student going to the service overseas. Education becoming increasingly globalized, the future trend will be more of

- Local universities tying up with their foreign counterparts who exercise maximum control over the design and delivery.
- Foreign universities setting up branch campuses.
- Validation by a foreign university of a programme designed and delivered by local university.

#### **Conclusion:-**

With globalization, the demand for competent managers is on the rise. It is imperative for B-schools to deliver quality education to meet the growing challenges. B-schools need to prepare global managers by providing students with a solid conceptual foundation of management principles and practices, make them aware of the latest technologies and emerging worldwide management trends and train them on soft skills and cross cultural adaptability skills. Redesigning their curricula and teaching methods to suit the emerging trends, upgrading the skills of faculty and enhancing the infrastructure such as web enabled resources should be on the agenda of the management education providers. Faculty

Consulting, Corporate Universities, Linkages with industry, Cross Border management programmes are the emerging trends in management education. The ultimate goal of such concerted and collaborative efforts is to produce global managers who are familiar with global trends and practices, have the attitude and skill to perform globally and who are capable of adapting to the rapid changes in international business.

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