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Management Education : History, Growth, Quality and Corporate Expectations

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Abstract

Professional management education in India is only 60 years old.. Due to globalization, many multinational companies have entered in to India. It has increased the demand of professional managers. To meet the increasing demand of professional managers' government has given approval to many private management institutes and private universities. With rapid growth of management education, quality of management education is deteriorating. Gap has occurred between Suppliers of management education(i.e. Institutes) and users of MBA products (i.e. Corporates). This is right time to reduce the gap and fulfil each other's expectations. It is also time to relook, redefine Quality standards, and reset each other's demands.

The article studies status of growth of management education. Its longterm effect on quality of management education. Industries expectations from management graduates and management institutes.

History of Management Education in India

Development of industries in India

Industries existed in India before the turn of 20th century, Industries in India during 18th and 19th century were textile cotton and silk, ship building, handicrafts and other arts and crafts such as tannery, perfumery, paper making etc. These were mainly in the hands of Indians. Era of development of new industries began in India in the beginning of 20th century:

1st phase of professional Management Education in India

In 1960's and there after awareness of management education and managements as distinct process began to take shape in India, reason being conventional ways (old ways) of extracting result were becoming outdated and obsolete.

Taylor's scientific managements theory highlighted on organization of work and methods to manage work in a scientific manner. Massive investment (particularly in the development of the public sector) were made in industrial developments during second five year plan (1956 to 1961). It was during that time only first institute of managements was established. (IIM, Calcutta was established in 1961). Many Business houses did not believe that management of business could be taught in schools. Change in policy from local to global and regulation to deregulation, are major reasons for major shift in management education. There is growing importance for people's skill in management education. As demand increased, quality of supply of management education changed.

Surplus generation was one of the objective and expectation from managers of modern time. Application of modern technique was buzzword during decade of 70s. We observe similarity in stress of efforts between phase of professional management in India and era of scientific management in the west.

Era of scientific management lost its lusters (importance) as application of modern techniques of massive production created huge production capacities. One of the obvious outcome of use of advanced technology was reduced rate of industrial employment generation. A step towards modernization computerization and automation are important characters of this phase.

Growth of management Education institutes in India

Management Education is only 50 years old in India. Today we have 13 IIMs and about 4000+ management schools in India. The government has responded to unexpected demand for management education and supplied it in the country. Growth of Management Institutes in India in last two decades has been because low barriers to entry. The first time full MBA in India was started in 1957. Two IIMS in Calcutta and Anmedrbad were established in 1961. Many Schools were established in 70's and 80's. XLRI Jamshedpur was founded in 1949. It was first business school in private sector. XLRI. Jamshedpur was started MBA in 1966. IIM, Bangalore was established in 1973. and IIM Lucknow was established in 1984. Today we have 13 IIM's in India.

Table below shows growth of Management Institutes India from 2005-6 to 2009-10

Year	No. of Management Institute
2005-2006	1052
2006-2007	1132
2007-2008	1668
2008-2009	1723
2009-2010	1940

The year 1991 has importance in history of Indian economy. This year also marked as beginning of LPG (Liberalization, Privatization and Globalization) era. Nine IIMs were established after the year 1991. Growth and expansion of Management Institutes was astonishing after the year 1991.

Quality and Management Education

Management Education has expanded more than twenty times during last twenty years. It is said that management education has lost quality during this expansion. While increase in quantity, quality of Management Education has reduced. Time has come to review and redefine quality standards.

Quality of management education is dependent on many direct and indirect factors. We discuss few among them.

1) Periodical revision of syllabus:- Syllabus must be revised after two years. It must be continuous process.

2) Involvement of industry people for making syllabus :- Very few Universities really like people from industry for making syllabus. They are very happy with conventional methods for making syllabus. Business changes very fast so syllabus too must be changed according to requirements of the business.

3) Well qualified Ph.d teachers for teaching management subjects: - Most of the institutes do not employ qualified teachers with Industrial /Business experience. Qualified experienced teachers demand higher salaries. Medium and small institutes do not wish to pay such salaries. This becomes limitation for quality improvement.

4) Quality of incoming students for management course :- Unique national level tests will ensure uniform standards of incoming students. It is observed that MBA students have to appear several entrance tests having varying standards. This makes uneven levels of incoming students. At present there are ten different entrance tests conducted for admission to management course. Management students with earlier work experience and exposure to business would certainly improve quality of Management education.

5) Fees for Management course and no.of Management Institutes in particular area:- Large No.of management institutes focused in metros and semi metro areas compete for existence. They charge less fees .

6) Campus size :- In India campus size varies from 150 Sq.meters to 40000 sq.meters. This makes big impact on Quality of education.

7) Intake Capacity:- Intake capacity varies from 30 student to 40000 student. More the capacity ensures better quality of management education.

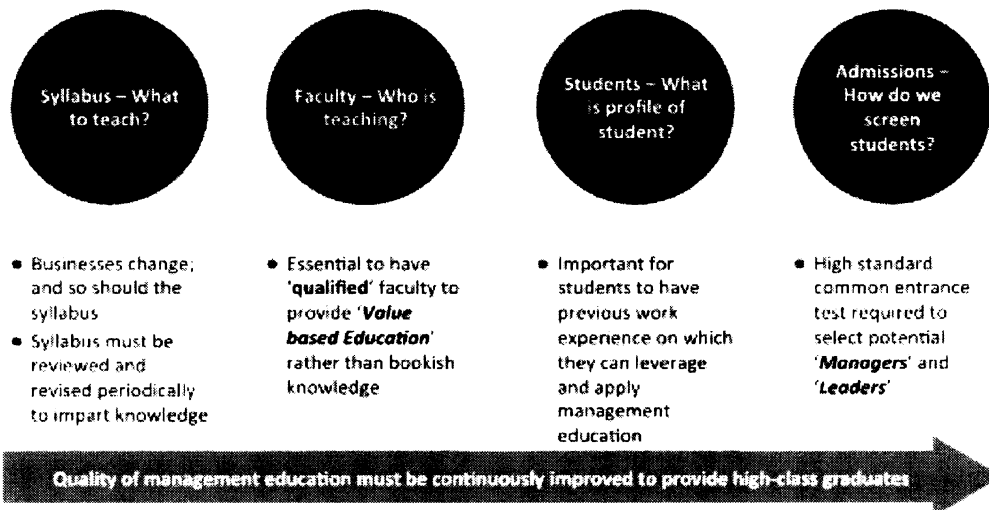
8) Ownership :- Management Institutes are owned by Central government, State government, Universities, Public and private charitable trusts. Private companies also own management Institutes. Ownership of the Institutes is related to quality of management education.

9) Placements :- Many Institutes only promise good placements to management graduates. Good placements do not happen because of poor quality of management graduates.

10) Market conditions :- Many experts say that as long as market requires MBAs and they have demand, quality does not matter. It becomes important when there is surplus generation.

Quality Management

There are four pillars to enhance the quality of management education provided in the institutes.



Corporate Expectations from Management graduates

Corporate needs competent managers to run business. Their expectations are very clear from Management graduates. There are many expectations. Given below are important expectations.

- 1) Management graduate should be very strong in domain knowledge in all fields of management like Finance, HR, Marketing, Production and operations.
- 2) He should be able to understand complex business situations and able to solve problems.
- 3) He should be good at communication. He must be able to work in teams.
- 4) He must develop skills to work with people with diverse culture and work practice.
- 5) He should be able to produce knowledge .
- 6) He must be able to manage information.
- 7) He must learn to take operative and strategic decision.
- 8) He should be able to acquire knowledge and develop skills in diverse fields.
- 9) He should bring professionalism to the work place by demonstrating best management practices.
- 10) He must be confident in his actions.

Corporate expectations from business schools.

Business schools should try for producing Managers and not MBAs . To create Managers, B-Schools need to focus on following points.

Management Institutes should join hands with Industry. Managers should be partners in developing MBA programme. Their contribution in designing syllabus, preparing cases is very important. Strong interaction between Industry and institute is needed for producing good Managers.

Preference should be given to experienced candidates. Two years time spent for MBA course is not sufficient to acquire abilities and build essential skills, Knowledge and information .. Handling uncertain situations is very difficult task and only experience person can do it. Similarly to develop leadership skills two years time is to short.

MBA's with earlier work experience can differentiate between right and wrong. He can question and can make right choices. Institute can help him to acquire these skills and make right choices, what to learn and what not to learn. Given below importanta points.

- 1) Student active participation in learning process will help him to become successfull managers. For this faculty must act as catyalist of learning. Faculty need not consider themselves too much as source of wisdom and knowledge but as the managers of learning process. They should help students to grow as competent responsible managers.
- 2) Economy is changing very fast, so the business too, hence competent Managers will be aiways need for any business. Managerial excellence comes through repeat exercise in thinking, feeling, and acting on it. Institutes must add these qualities in management education.
- 3) This will require recruiting students with work experience, designing curriculum involving Industry faculty, and using modern teaching methods. This will also require periodical review and revision in syllabus. Future of management education is related with economy of the country and so world economy too. Sustined growth of business requires more competent Managers.
- 4) To achive these challenges, business Schools must produce managers who are performers, not only planners Best teachers, best campuses and best placements are indicators of quality improvement. If this really happens Business school will surely produce Managers and not MBAs.

To put things in nutshell, Indian Business schools, big or small, old or new, must adopt strategies that enable them to produce responsible and competent managers to effectively run enterprises in the fast changing economy. If this really happens quality will automatically improve. Corporate expectatoins will be fulfilled. Author is confident that this will happen.

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