

# Changes and Challenges in Management Education

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## Abstract

*Management Education is witnessing great upheaval in the present scenario where the country is going through a period of economic recession and unmet serious demand for high quality managers to oversee the nation's growing businesses. All the aspects of management Education such as quality of MBAs, course content, business research, quality of research publications, industry-institute interface, faculty development programmes, placements, compensation packages of B-school graduates, career development trajectory of alumni, diversity among faculty as well as students, governance and accountability, etc. are under critical scanner. Indian B-schools are not untouched by the contextual compulsions of the Management Education in the international arena. Indeed, B-schools in India are facing multiple issues such as proliferation of B-Schools, quality of education, faculty shortage, poor regulatory mechanism and governance and accountability. This paper is an effort to examine the current management Education system, the changes it has observed over the years and the challenges it is facing, in a response to current paradigm.*

**Keywords:** *Management Education, B-schools, course content, industry-institute interface, faculty development.*

**Introduction:** Management Education in India is not very old; it has taken its practical shape during early sixties with establishment of Indian Institutes of Management to train the people with management concepts. After that many institutions, universities have also come forward to provide management education to cater the increasing demand of good managers. The concept of global village and the revolution in the area of information technology is increasing integration of economies around the globe. The liberalization of Indian economy had resulted in a highly competitive environment, great emphasis on technology, quality and greater concern in society for the environmental issue and unprecedented development and use of information technology. Organizations are becoming more complex and businesses more competitive. The demands on the skills of Indian managers are changing. It has become essential to re-examine the entire structure, content, purpose and pattern of Management Education.

**Changes in Management Education:** The demand in management education is surging upwards at a rate that is awe inspiring. The large numbers of students who are lining up to acquire management education in India are no more short of opportunities for studying MBA in various colleges of India. The demand of the students and the rising market trends has been much responsible for the establishment of management institutes. There are more than 2000 B-schools in India where students pay a massive sum hoping to find their dream career after completing their program. Unfortunately, these business schools are not even able to place more than 50% of student except few top B schools. This is really an issue for concern and various reasons can be attached to it. These reasons can be explained from institutes imparting education,

from student seeking education, and affiliating authorities. Quality has deteriorated from both ends Institutes imparting education and student gaining education. There are fundamental issues of student input quality. In addition, there are fundamental issues of academic delivery quality as most run-of-the-mill colleges spend less than 10 per cent of their revenues on actual academic delivery. The trends of evolution of management education indicate that knowledge creation is becoming more students based. This will usher in a variety of changes, including, paradoxically, a trend towards closer interaction among industry, students and faculty. E-learning and computer based learning packages are making inroads slowly. Three roles are getting differentiated, viz., management knowledge creation, knowledge gathering and knowledge sharing. This will change the face of management education further.

**Challenges Being Faced By Management Education:** Management institutes are often criticized for focusing more on theory and on quantitative analysis while neglecting interpersonal relationship and quantitative finding. It is often stated that management education should be experience-based, active, problem oriented and modified by feedback and action learning serves the purpose.

Over the last decade, management education has been challenged by the increasingly competitive environment brought about by globalization and internationalization. Corporations have come to view management education as having become too theoretical and not practical enough, and graduates as being ill-equipped for the kind of corporate leadership sorely needed. In short, there is a widening gap between the level of skills and competency which corporation expect and the skills developed by business schools. Hence, the need for modern business schools to transform them and operate as centers for knowledge and skill creation, adaptation and dissemination.

### **Ways to Overcome Challenges**

**Restructuring the Curriculum:** In many B-schools, curriculum is not frequently revised and updated to make it more suitable for the emerging job markets. Developing a curriculum is a challenging task and has to be continuously updated to keep pace with the advancements. Curriculum should be change driven and periodically reviewed to match the industry needs. But in most of Indian universities and B School it takes years to get syllabus revised due to bureaucratic setup and private B School also don't show much enthusiasm towards revision of syllabus because it may call for appointing new faculty and updating existing faculty which could be a costly issue. The curriculum should reflect the fact that students must master more than content—and need to acquire the ability to “learn, unlearn, and relearn”. MBA students also need to be able to view current events through a lens that sees beyond traditional borders. With this goal in mind, the Partnership for 21st Century Skills, a group of business and education leaders advocating education reform, has developed a framework for 21st century learning. The skills MBA students should acquire by the time they graduate have been classified into three major groups: (i) learning and thinking skills; (ii) information and communication technology literacy; and (iii) life skills.

**Management Graduates to be Sought Globally:** Internationalization of labor market, commodity market and capital market created incredible opportunities for all by offering choices at the competitive prices, raising quality of life and aspirations, expanding service sector and

providing decent employment to millions of youth. These developments ensured a great demand for professionals. B-Schools turned up in a big way across the globe to enable a cadre of business leaders and managers with appropriate knowledge, skills and attitude. Business education helped in developing intelligent strategic planning and action, long-term perspective, corporate culture, standards of excellence, effective leadership across the organization, team spirit, objective decision making, standardization of processes and systems. Business schools must increasingly focus on adding global content, including foreign languages, geography, and culture, to ensure students are prepared to compete effectively in a global marketplace and be global managers.

**Pedagogy:** Students learn in many ways through class room interaction. Therefore one of the main challenges a good lecturer faces is how to get students actively engaged. Beneficial teaching methods are those that encourage students to debate on the topic on hand, arouse their curiosity, and lead them to ask many questions as a way for them to know the subject in depth. This process helps students internalize the various dimensions of the management issues considered. It also creates genuine excitement and creativity in the 'mind-think' exercises designed to merge theory with practice. Only Very few institutions in the country have been able to develop adequate teaching materials. There is a dire need for more case input than lecture method, more workshops to envelope deep thinking on the subject, more exposure to realities of industries and work environment, project method should be cased to promote discovery learning, more emphasis on simulation, role playing, socio drama etc. should be there. Co-operative learning is another key teaching methodology in management education. Activities such as, for example, management games and projects help students hone their personal as well as professional work skills. These management games give students simulated opportunities to put theories into practice. The simulation technique enables them to learn from each other. And student-centered active learning forces all students to participate in the learning activity. It also helps them fully grasp the benefits of team work in real work situations.

**Faculty Development:** The faculties should be from excellent academic background with an industry exposure. They should be a special breed of people driven by passion rather money. They need to inspire and motivate the students through right communication skills. They should preferably have industry experience in a reputed organization. It is desirable to have research experience in management along with consultancy and teaching experience. The combination of the four areas of expertise such as consultancy, teaching, research and industry would make faculties outstanding. Institutes are engaged in appointing new faculty member on low salaries and heavy teaching load which further deteriorate their quality and they are left with no time for further development, and involving part time faculty which had little or no involvement with the institutes. Generally, they give lecture prepared from textbooks or their company based experience. The quality of management remained inferior in the sense that they pay not enough attention to application of knowledge, understanding of concepts, and development of managerial skills.

**Experiential Learning:** The challenge of management education is to bring students close to real situations. There are no easy solutions as there are many unknowns in real life situations and many events unfold in an evolutionary manner as decisions are made. The issue is to ensure that management education makes people capable of handling real life situations and at the same time

make them understand the value frame they use for solving problems and dealing with real life situations.

**Research Culture:** The management institutions do not have a culture that is supportive of research. Imbibing a research culture requires faculty with interest in research and a good library support system.

**Quality Assurance:** There is a need for vibrant, high quality management education capable of rapidly responding to new skill demands, new executive market conditions and learning contexts and to the increasing expectations of stakeholders. The focus on quality in terms of business school teaching, learning and assessment is in part an outcome of the many changes that have impacted education in recent times.

**New Collaborations:** Management institutions should foster an academic collaboration on campus leading to study abroad opportunities, faculty exchanges, dual degrees and joint programs. They should facilitate and harmonize the academic credit exchange to promote an international experience among students. They should provide opportunities for students to work in cross school teams in certain courses and pursue joint and dual degrees. They should also encourage faculty research and leadership in conjunction with university-wide initiatives.

**Innovation in Management Education:** When it comes to innovation, management education should focus as much on developing skills as transferring knowledge. Because the roots of the innovation research already cut across organizational functions and industries, interdisciplinary research into management innovation should do the same by involving faculty from multiple disciplines. Another challenge being faced by Business schools is that they outreach activities that directly or indirectly support innovation. These activities include business plan competitions, social entrepreneurship, community-based student consulting projects, and business incubators.

**Alumni Linkage:** The final point to consider is that business schools should not ignore the importance of other activities, such as alumni relations, which can contribute significantly to innovation through social capital development. Business alumni groups often grow quite large and diverse; members come from and go to different cultures, industries, functions, and positions. This network diversity can be a powerful source of vision and creativity. Because its members share a common experience and speak a common “language” (business and management), however, the alumni group also builds trust, another powerful mechanism to support innovation. Burt refers to these mechanisms as “brokerage and closure.”

In their marketing literature, business schools often describe the benefits of alumni networks to students. To its prospective students, Harvard Business School proudly states “when you graduate with an MBA from Harvard Business School, you earn a place within a community of nearly 70,000 business leaders in 150 countries. More than 40,000 of our alumni have made themselves available to help current students build connections and uncover business opportunities throughout their careers.” Alumni networks are believed to be especially important for programs in entrepreneurship; students are often connected to an international network of contacts and advisors who will expose students to cultural differences and help them to avoid embarrassment—or worse—errors. In other words, these programs can enhance the innovation potential of future business school graduates.

**Conclusion:** Management education across the globe is facing a unique crisis of relevance in the contemporary scenario. There is a widening gap between the level of skills and competency which corporations expect and the skills developed by business schools. Hence, the need for modern business schools to transform them and operate as centers for knowledge and skill creation, adaptation and dissemination. In order to cope up with changing scenario in Management Education, B-schools have to pay keen attention on restructuring the curricula, faculty development programmes, promotion of research practices among faculties and students, innovative and experiential learning, making arrangements for student- industry interface and taking advantage from alumni linkages. This way B-schools will be able to produce vibrant, high quality future managers to fit into the requirements of corporations taking businesses, economy and nation to newer heights.

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