THE ROLE OF BUSINESS SCHOOLS IN INDIA IN MANAGING
GLOBAL CHANGES AND CHALLENGES

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ABSTRACT
The escalating globalization, educational levels and an enriched society has paved the way for distinct workplace culture in most of the business houses. Individuals desire to have jobs as per their qualifications and hence wish to leave their respective countries to avail such kind of opportunities without any hesitations. It has now become mandatory for the organization to become more creative and open to change. With intent to reduce the adverse effects and optimize best results of workplace diversity, organizations are pinning hopes on MBA professionals. Hence, several institutions exist to meet this demand. Starting from IIMs to distance education the institutions are supplying managers. In turn, several thousands of postgraduate in business administration students walks out of Business Schools every year. The skills expected from them are vast i.e. technical, soft skill, problem solving, communication, process, business, creativity and organizing. Institutions adapt their own way in training students and may differ from one to another. MBA is not just getting right concept but applying those concepts on to practice. The great question is whether institutions produce quality managers to meet the demand or not. This paper speaks about the ways followed by different institutions to meet this demand.

KEYWORDS
Globalization, Methods of training students. Quality Managers, MBA Programme in India – An Overview, Industry demand and academic supply.
INTRODUCTION

There were many people who expressed their views about the outcome of the financial melt down on MBA education and thought that this financial crisis will have a negative effect and as a result there will be less number of students opting for admission into different B-Schools. But CAT examinations held in the past had shown a different trend. The meltdown effect has actually led to more number of students taking CAT. The number of aspirant appearing for CAT keeps on increase manifold year after year. A survey result also says that there is growth in the proportion of employers who seek to hire MBA graduates. The reaction of this demand and supply is main contribution for the study. This study also highlights the methods followed by different institutions to produce quality management education.

OBJECTIVE

Primary Objective

To study the role of business schools in India managing Global Competition and competency.

Secondary Objective

- To study the state of art of management education programme in India.
- To study the industrial expectation of business schools (aspiring managers).
- To identify the gap between industry demand and academic supply.
- To suggest ways and means to fulfill the industry demand by enhancing academic supply.

STATEMENT OF PROBLEM

The shaping up of the student to develop the competency and capability either as an intrapreneur or as an entrepreneur is the objective behind B-schools. The difference on the capability of a manager with non-manager is that the manager gives results while non manager carries out activities. One should keep in mind that Customers of any management institute will be either corporate or the society. They are going to hire their students. Therefore, the management institutes must aware of the expectations from the corporate world. And for the students to become employable, apart from their MBA degree they should be trained in all employability skills. There are various programmes being conducted additional to their regular programs to enrich the employability skills among the students.

MBA Programme in India – An Overview

There are different types of MBA Programmes that is being provided by various B-Schools in India. They are:

- Two year MBA programs normally take place over two academic years. Students enter with a reasonable amount of prior real-world work experience and take classes during weekdays like other university students.
Accelerated MBA programs are a variation of the two year programs. They involve a higher course load with more intense class and examination schedules. They usually have less "down time" during the program and between semesters.

Part-time MBA programs normally hold classes on weekday evenings, after normal working hours, or on weekends. Part-time programs normally last for three years or more. The students in these programs typically consist of working professionals, who take a light course load for a longer period of time until the graduation requirements are met.

Executive MBA (EMBA) programs developed to meet the educational needs of managers and executives, allowing students to earn an MBA or another business-related graduate degree in two years or less while working full time. Participants come from every type and size of organization. EMBA students typically have a higher level of work experience, often 10 years or more, compared to other MBA students.

Distance learning MBA programs hold classes’ off-campus. These programs can be offered in a number of different formats: correspondence courses by postal mail or email, non-interactive broadcast video, pre-recorded video, live teleconference or videoconference, offline or online computer courses.

Many respectable business schools offer these programs; however, so do many diploma mills. The programs are offered by different institutions and that can be categorized as follows according to MAT classification:

**Group A**

Management Institutes, University Affiliated Colleges or University Departments approved by All India council for Technical Education (AICTE) for imparting MBA or allied Degree/PG Diploma programme in management.

**Group B**

Management Institutes or University Departments/Directorates directly approved by Distance Education Council (DEC) for imparting MBA or allied Degree/ PG Diploma programme in Management.

**Group C**

University Affiliated Colleges or University Departments approved for imparting regular two year full time MBA or allied Degree programme in Management.

**Group D**

University imparting MBA or allied Degree programme in Management, awaiting approval for AICTE/DEC.

**Group E**

Autonomous Institutions under the Ministry of Government of India
impacting regular two year fulltime PG Diploma programme in Management or allied field. The other producers also include private universities, university offering correspondence courses and part-time courses.

Challenges ahead

Times have changed and so have the challenges. The classroom and tutorials may give the students the right qualification. But it is not enough to get the right job as they teach the future managers the best practices of the past but in business new solutions are always required to meet the new challenges. To learn about the emerging issues and current practices, it is necessary that students should gain insight into what the industry does today. There is intangible training the students must acquire or else they will be left out. But onus lie with the B-schools that must groom them as per the demands of the corporate and help them imbibe those corporate culture and soft skills needed.

MBA is not just about cementing the conceptual clarity deep in the minds of students but also about setting the tone right for contextual familiarity required to configure the identity of a complete business leader with true understanding of relevance of knowledge, skills attitudes culture race time and most modern management practice. Class room teaching can best stimulate the real world in a very simplified manner but can never substitute for the real world with its nifty gritty complexities, anxieties, expectations, political agendas and conflict that may underlie a business plan and these are critical to its success. The curriculum should be industry oriented with a very high dose of research, fieldwork, live projects, internships, industry visits, guest lectures, exchange programmes and events.

Industry expectations

Class room and tutorials are based on history the teach the future managers the best practices of the past but in business new solutions are always required to meet new challenges. To learn about the emerging issues and current practices it is necessary that students should gain insight into what the industry does today. MBA is not just about getting right concepts but also putting those concepts into practice. This can be best learnt at B-schools through implementation of concepts through field research, live projects that are linked to industries and through social networking. The real challenge MBA poses is to bridge the gap between theoretical concepts and industry expectations.
As shown in Figure 1, in addition to the normal managerial skills current corporate scenario requires much more skills like technical, business, industry awareness, soft skill, creative, communication, organizing, thinking presentation, interpersonal, teamwork, personal productivity skills and lifelong learning skill.

According to Prof. R. P. Banerjee, Director of EIILM, Kolkata, Total MBA is developing the profession of Business Administration with a holistic view. This has four components namely Physical, Intellectual, Situational and Spiritual. In the absence of any one of these it becomes fragmented.

According to the Corporate Recruiters Survey 2009 conducted by graduate Management Admission Council (GMAC), a global non profit education organization of leading graduate business schools and the owner of GMAT, when employer hired MBA graduates they primarily sought Good Oral and Written Communication Skills (89%), a proven Ability to Perform (73%), Strategic Skills (69%) and sound Core Business Knowledge (67%), Initiative (82%), Professionalism (81%) and Integrity (81%) were among the most demanded intangible traits and abilities sought in MBA. The employer today is very choosy. The job market is getting narrower therefore to stay relevant as per the changing industry demands one has to walk many extra miles.

MBA is not just about getting right concept but also putting those concepts onto practice. Most of the successful mangers are those who have the capacity to transform their company vision into practice through careful planning and execution. The real
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Table 1: Table showing tangible factors in selection

<table>
<thead>
<tr>
<th>Ability to manage</th>
<th>Technical foundation</th>
<th>Work Experience</th>
<th>Execution</th>
</tr>
</thead>
</table>

Table 2: Table showing Intangible factor

<table>
<thead>
<tr>
<th>Professionalism</th>
<th>Divergent Thinking</th>
<th>Interpersonal Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professionalism</td>
<td>Innovation and creativity</td>
<td>Empathy</td>
</tr>
<tr>
<td>Motivation</td>
<td>Collaboration</td>
<td>Diplomacy/Tact</td>
</tr>
<tr>
<td>Discipline</td>
<td>Initiative</td>
<td>Listening ability</td>
</tr>
</tbody>
</table>

The increasing globalization, educational levels and an enriched society has paved the way for diverse workplace culture in most of the business houses.

As the educational levels is concerned it has contributed to increase in diversities as people have now become more vigilant regarding the available opportunities in and out of their countries. People prefer to have a job as per their qualifications and hence are not that hesitant to go out of their respective countries to avail such kind of opportunities.

It has now become mandatory for the organization to become more creative and open to change. In order to reduce the adverse effects and optimize the good results of workplace diversity organizations are pinning hopes on MBA professionals. Seven Key characteristics describe which students are most likely to build winning business attitudes.

- Plan makers.
- Information users.
- Opportunity seekers.
- Risk takers.
- People helpers.
- Organization builders.
- Enthusiastic earner.

MBA professionals remain high in demand as compared to others even as business houses deal with a weak economy. A survey conducted by CMAC in partnership with the MBA Career Services council and European Foundation for Management Development on the corporate
recruiters disclose these facts. According to this survey there is 6% growth in the proportion of employers who seek to hire MBA graduates. Approximately 64% of the employers said that they had hired MBA graduates in 2007. In addition to this 70% of the employers expressed their willingness to acquire more MBAs in 2008 and even more in the coming years.

The unique traits that the corporate find in an MBA graduated as compared to normal graduates are capacity to deal efficiently with the prominence diversity challenges found in the corporate. MBAs are able to deal with such issues depends on their personal traits and their learned traits. Most of the psychologists say that personality traits are inborn but most of them can be developed with learning. The corporate expect MBA professional to have certain personality traits which helps them to manage diversity challenge with ease. The stress on education, training, seminars and conferences help MBAs to be trained in area of leadership, management communication and efficiency.

Industry Demand and Academic Supply

Even the economy is in recession Sun is still shining at managers MetLife India had announced that it is going to hire 3000 managers. NASSCOM has indicated in its report that there will be no effect of the present meltdown on managers^8. Therefore the demand for MBA is not going to decrease and the market will need these mangers in large number to fulfill its need.

According to Dr. B. S. Sahay, Director of Management Development Institute, Gurgaon, the minimum that a B-school must ensure is good faculty to teach the students and a process that enables the learning.

ASSOCHAM reports that business schools have grown at 60% annually. India has over 1600 B-School registered with All India Council for Technical Education. 75000 MBA students graduate every year. Almost 80-85% is placed annually. The intake has been badly affected and companies like TCS, Satyam, Wipro and Nestle maintain that the hiring will not freeze completely, but now the focus will be on recruiting and retaining the best as a part of cost cutting measures.

METHODOLOGY

This study involves a descriptive approach that depicts characteristics about management education, Industry expectations, the gap between supply of management students and demand for managers; B-Schools steps and training programmes towards overcome the gap. The study involves secondary data used from journals, websites and published reports.

ANALYSIS

Now the concern for the Business School professors is how to produce good managers with the attributes of increased efficiency and effectiveness, ethics, knowledge, fluency to apply
management concepts theories and tools.

**Figure 2** represents the factors such as changing economy, emergence of new sectors, decreasing management profession, quality deterioration, decreasing employability, increasing competition that are responsible for placement crisis.

**Figure 3** shows that the factors responsible for placement crisis can be dealt with by conducting SWOT analysis of B-School that will identify the skills required, identify method of developing the required skills and thus make the students ready for placement. They B-schools can scan the Job market, Identify placement opportunities; invite the organization for campus recruitment so that placement can be enhanced. Retrieved

FINDINGS

- Approximately 75000 MBA graduates are being produced by different categories of business schools in India every year.
- The Corporate expects skills such as technical, business, industry awareness, soft skill, creative, communication, organizing, thinking, presentation, interpersonal, teamwork, personal productivity and life long learning skills apart from regular managerial skills.
- Through proper and intensive training can turn a MBA student into potential manager.
- Customized training techniques and need based trainings are required for emerging managers.
- Activity based learning inside the campus will help them to develop more required skills.

SUGGESTION

Following are the best practices from various B-schools in India:

- Special feature of IILM are one day corporate assignment which gives exposure to corporate world. Encouraging students to participate in conferences organized by AIMA, FICCI, CII and form corporate contacts. Personalized counseling, communication training, resume building and mock interviews to inculcate skills that help students bag the best jobs in the market.
- The unique feature of IBS Ahmedabad are Extensive use of case studies, live projects, Campus wide networking with 2MBPS connectivity which will make the students understand the theoretical area with examples and also possible to updated as and when required without time constraint.
- IIBM Delhi has arranged for foreign tour for like management project which give them global experience, Additional Diploma in Corporate communication and foreign language which provide them certificate an authorized certificate for the soft skill that they posses.
- GSB (Global school of business) Delhi and Mumbai have visiting faculty form leading foreign universities who share their global experience with the students. The students studying in Delhi Campus obtain the MBA degree awarded by Bharathidasan University which gives value for the certificate that they posses.
- RAI Business school have an option for the interested students to take add on certificate on any of specializations like Training and Development, Internal Auditor Event management etc., by this means the students have an additional qualification to that of other students. The other advantage is two foreign trips that give students competitive edge. Live projects help them acquire practical skills and hands on experience. Membership in British Council
Library provides them great exposures to Globalization.

- Jaipuria Institute of management studies Ghaziabad conduct blood donation campus to train them in social responsibly, they organize competition of case study which give them great insights into different cases, annual sports meet is conducted to provide them healthy fitness and relaxation.

- International Business School, Delhi has club in the elective areas like marketing, finance, HR etc which provide them great insight into the area of specialization and the content they learn is also more when they learn in groups. They do conduct workshops on equity research in collaboration with leading broking house to provide the practical experience of trading for finance students.

- Delhi business school keep their students engaged in one activity like seminar, conference or project which help them to practice best management of time and learn more information in the duration of their course.

- NIILM School of Business Delhi gives orientation on life project, Analytical, business planning and interpersonal skills that are more required for managers.

- Landmarks foundations Institute of Management and Technology have uniqueness of focusing on practical approach and conducting personality development programme and mock interviews that enable their students to match the job market.

- Fore School of Management Delhi aim their activities at helping the student evolve into a complete human being and a manager. They play for being fit healthy, they quiz to gain information about industry and globe, they do corporate Social responsibility projects to discharge Social responsibility and take part in cultural programmes to relax for sometime as they work hard and engage in some development activity always. By conducting such programmes the students use their organizing skills and get trained in the same.

- Delhi Business School Delhi arrange for orientation week at DBS for the students get know about college, Dean faculty, seniors and his own batch mates through serious interactive sessions and cultural evening which will enable the faculty also to know about the students caliber and to help him to overcome his weakness. Whether it is an International conference or the cultural programme they are organized by students with the help of faculty which will enable them to practice planning and organizing the time. There is E-cell called FAROL that works in close association with the National Entrepreneurship Network (NEN) to cultivate an entrepreneurial set among students. AIMA student membership is provided to encourage corporate interface and axis online library service.

- Students at IIM in Ahmedabad are to assist the Members of Parliament (MPs) by developing a web-based
electronic interface to help them handle complaints more efficiently. The information and communication technology system will allow citizens to register their complaints through an interactive voice response system and receive feedback from the relevant department. The project dubbed “Connect with leaders” will also help MPs handle complaints more efficiently and aid efficient follow up. Until recently foreign companies have been able to pick the best brains from IIMs. This year Indian companies may get to hire them. Because of the global financial crisis students of IIMs are believed to be shifting towards traditional management stream such as marketing HR and consulting instead of finance (National, IIM Ahmedabad students to Assist MPs Page 9).

- HBS relies on case study method and academic rigor.
- IIM: Peer pressure to multitask and perform well, they also rely on case methods and academic rigor.
- SCMHRD, MDI, IME, and CAI: More number of case studies more number of theory books on same topic and more exposure to multitasking by doing it yourself.
- To get best placement the students of b-school must know what one wants and what one is capable of and then one has to work towards it.

Some of the best ways to invest time daily from day one inside the campus includes:

- Know at least one new case study daily that are top rated by management experts.
- Know at least one new leader and his achievements.
- Know at least one organization In and Out...
- Share with others at least one new thing from the `corporate world. Thus 60 students in class can share a lot in a day.

CONCLUSION

In India any one and every degree holders wants to pursue MBA for several preconceived reasons. Most of them join B-schools to become better than the best by acquiring more skills to advance their career for future endeavourer this is also the objective of the industry that is the customer of B-schools. To attain the objective the institution should frame the course to acquire such skills and the students need to invest the time inside campus and during the course qualitatively.

References


Corporate Recruiters Survey 2009.


