

Academia and Governing agencies - As regulators in bringing innovation in B-schools: An analysis with respect to Management Education

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Abstract- The growth of India's services sector, its role towards GDP, and its increasing share in business and investment has attracted global attention. Unlike other countries, where economic growth has led to a shift from agriculture to industries, in India, it has been a shift from agriculture to the services sector. To support the above mentioned views, India has emerged as the single largest provider of global talent, with 25% of graduates in the world being a product of the Indian education system. The Indian education sector is distinguished as a "sunrise sector" for investment in the recent years. Management education is gradually reflecting the changes appearing in the country's business environment. Management schools offer the education with a special focus on technology. Management education in the present competitive global market is facing challenges and opportunities to assure quality education from the student's skill development point of view. Findings and observations in various studies indicate that, education sector is facing a severe problem of talent crisis. Western B-schools are scaling the professional ladder but business schools with in India are struggling in the comparative scenario. The lack of highly skilled and committed faculty members has resulted in low student skill development. The first step for society's development is specialty and skills, which are lacking especially in poor societies who do not have access to education. Therefore, it is necessary to plan for education development by the states, because of the tremendous opportunities. There is a higher education sector in India to respond to escalating shortage of skilled and educated students/manpower. Students who aspire to be 'Industry ready' are also demanding high quality education in conventional and non-conventional

streams of education. This paper covers partly the theoretical concepts and partly the empirical study which gives the inclusion about role of academia and governing agencies in bringing innovations in B-schools and for sustainable growth of responsible management education.

Indexed Terms- Academia, Sustain, Strategy, Management, Education, Growth

I. INTRODUCTION

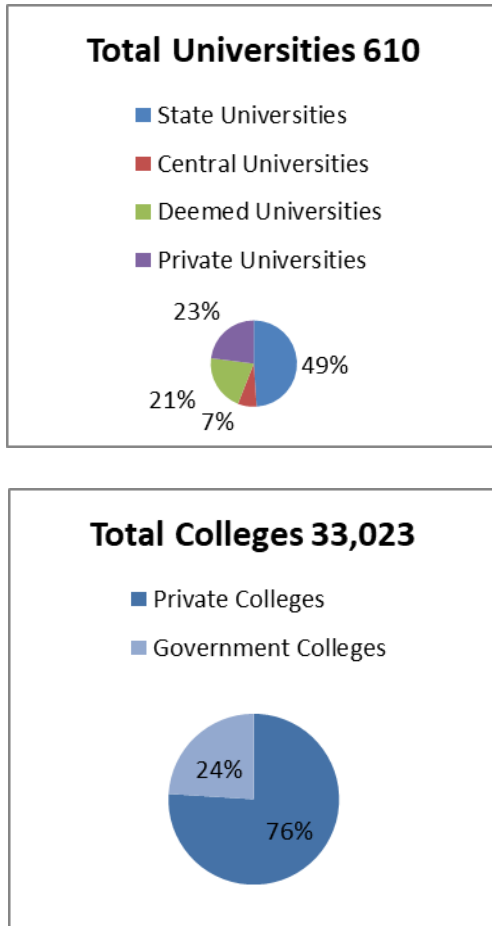
India has a highly developed higher education system, and has witnessed a phenomenal growth in higher education, since Independence. In India, education is offered in all aspects of human creativity and intellectual accomplishments like, natural, mathematical and social sciences, engineering, arts and humanities, medicine, agriculture, education, law, commerce and management, national and foreign languages, culture, communications, music and performing arts, etc. Higher education is necessary to build a human capital capable of reinforcing a contemporary and competitive economy. Higher education system must be focused on new areas, to sustain rapid economic growth, challenging international competitiveness owing to globalization of higher education, apart from higher expectations from new generation student sector. Such higher education is offered by colleges/institutions affiliated to different universities.

The institutional framework of higher education system in India can be categorized as follows:

1. Central universities established by Act of Parliament.
2. State universities established by Act of respective state governments.

3. Private universities established under UGC Act.
4. Deemed universities recognized by central government.
5. Institutions of national importance.
6. Institutions established under state legislative Act.
7. Colleges affiliated to the university(both government-aided and unaided).

**Current status



Graph 1.1: Current status of universities and colleges in India ^[1]

(The number of universities conferred with the “Deemed universities” are private universities and therefore, the share of private universities is higher than 23% depicted above.)

II. HIGHER EDUCATION IN RELATION TO MANAGEMENT EDUCATION

Management education prepares students to handle various business and management related issues as management is inevitable in all works of organizational life. By encouraging a superior quality management education, we can make India, an intellectual capital. These statements are supported by Agha Hasan Abedi^[2] and Paul Hawken^[3], who says that, real management is developing people through work by making the problems interesting, and its solutions so constructive that, each person wants to get to work and pact with them.

Management education is gradually reflecting the changes appearing in the country’s business environment. Management schools offer the education with a special focus on technology. Keeping itself abreast with the latest developments, management education in India is trying to match the global pace of development. With ambitious policies like *Make in India*, *Digital India*, and the recently launched *Startup India*, the world is looking at the country as a potential talent pool. As the expectations from the industry have risen, experts feel that it is high time management education in India raised its bar to cater to global challenges.

Management education in the present competitive global market is facing challenges and opportunities to assure quality education from the student’s skill development point of view. Findings and observations in various studies indicate that, education sector is facing a severe problem of talent crisis. Western B-schools are scaling the professional ladder but business schools with in India are struggling in the comparative scenario. The lack of highly skilled and committed faculty members has resulted in low student skill development. The first step for society’s development is specialty and skills, which are lacking especially in poor societies who do not have access to education. Therefore, it is necessary to plan for education development by the states, because of the tremendous opportunities. There is a higher education sector in India to respond to escalating shortage of skilled and educated students/manpower. Students who aspire to be ‘Industry ready’ are also demanding high quality

education in conventional and non-conventional streams of education.

III. GROWTH OF MANAGEMENT EDUCATION IN INDIA

In India, next to engineering education, the management education is the fastest growing in the past ten years. Management institutions have witnessed phenomenal growth from the period of their establishment^[4].

This has been illustrated in the following table.

Sl. No.	Period (years)	No. of B-schools added	Average annual addition
1.1	1950-1980	118	04
1.2	1980-1995	304	20
1.3	1995-2000	322	64
1.4	2000-2006	1017	169
1.5	2006-2015	3644	404

Table 1.1: Growth of Management institutions in India during 1950 – 2015^[4]

IV. MANAGEMENT EDUCATION IN PRESENT SCENARIO

In India, at present, around 4000 institutions all over the country are involved in imparting management education to more than 4 million students^[5]. Private sector in higher education having more than 90% share in number of institutes is playing a dominant role^[6]. Despite a huge demand for talented/skilled manpower in job market, very few institutions are able to provide talented manpower to the job market. A large number of institutions are facing problems of sustainability as well as survival, may be because they are focusing at producing students not employability. Their sustainability and growth have become difficult due to the lack of minimum number of students opting for the course in those institutes. At one end, the country has some institutes which are

very conservative in admitting the students and at the other end a large number of institutes who could fill in only 40 to 50 percent of their intake capacity^[6]. It is the need of the hour to think jointly and find ways and means (strategies) to endure and create employable human capital.

Today, the B-schools, that are imparting management education, are gaining more attention and popularity which is been evident by the increase in number of B-schools in recent past. A university-level institution that confers degrees in business administration is known as a Business school. Such a school can also be known as a business college, college of business administration, college of business, school of business administration, school of business, colloquially, a school of business within a university or, B-school.^[7]

A business school teaches topics like administration, economics, accounting, entrepreneur-ship, finance, strategy, human resource management, info systems, marketing, structure behavior, Public Relations, and quantitative Techniques. It focuses on teaching a range of courses starting from collegian degrees to postdoctoral programs, however the popular programme offered by most of the B-schools is Master of Business Administration (MBA).

V. TYPES OF B-SCHOOLS

The institutes that are imparting management education are categorized under five categories as mentioned below. The categorization is made on the basis of legal status of the institutes in their functioning.

1. Autonomous Institutions (IIMs)
2. AICTE approved institutes
3. Deemed universities (136 universities under section 3 of UGC Act 1956 are known as deemed universities)
4. Privately owned business school [Example, PGDBM programs]
5. Distance education (B-schools offering management courses affiliated to various universities through distance education)^[8].

VI. REGULATION OF B-SCHOOLS

Business schools create managers who enjoy great demand in almost all sectors of economy. With the rising demand of skilled business professionals in the corporate field, many institutions are churning out fresh graduates and post-graduates in the market each year. MBA is one of the top options considered by most of the experienced candidates, and fresher's for climbing the career ladder. To meet the vast demand, a number of educational institutions have come forward, claiming to be providing a good and best-in-class management education. This has created the need of AICTE, and hence established in 1988, a statutory body regulating technical and management education in the country to ensure the quality education, appropriate intake of students, certification and inclusion of new courses, infrastructural needs^[9]. At present there are 4000 B-schools in India, of which 3644 are recognized by AICTE. Independent bodies like IIT's and IIM's are also contributing and controlling management program.

VII. PROBLEMS OF B-SCHOOLS

In a scenario of increasing demand for management education, number of B-schools have mushroomed, but unfortunately, required quality is not maintained, which has lead to lack of job opportunities and high expectations from the employers. Hence, management institutions are of late, facing a competition amongst themselves, because of several problems like, increased average cost, reduced income, cut-throat competition, undue demands from candidates, admission to average/below average candidates, increased gap in urban and other institutes, employability and shortage of competent faculty members.

The major problem of B-schools is an acute shortage of competent faculty members because of increased attrition. The said problem is growing with every passing day with management schools being exposed to competition from peer institutions in India, as well as from global management institutions. The mushroomed and unregulated growth of business schools in the recent past and the limited pool of (quality) doctorates, among others, are aggravating the problem. B-schools all over the world are hiring

Indian faculty members which have added one more dimension to this problem. The number of available MBA graduates for faculty position is limited. Both public and private institutions draw their faculty members from the same pool. The faster substantial grants in number of management schools over the years have also compounded the problem^[10].

VIII. REVIEW OF LITERATURE

A review of literature, undertaken by the researcher, as a support to the conceptual work, is discussed hereunder.

AACSB 2004^[1] published in its report that, the three pillars of any higher education institution are: qualified faculty members, infrastructure facilities and learning atmosphere. As in any business and industry, need for talent to meet growing expectations of student sector in particular and society in general is all the fact in education sector, and resultantly leadership crisis is also experienced. A status report on management education with an alarming title "*Management Education at Risk*", acknowledged issues regarding the general context of management education and the changes that are taking place in this circumstance, namely the demand and supply of management education, technology, globalization and resource insufficiency. It also pays attention to issues pertaining to doctoral education, the convergence of degree and non-degree education and the relevance of business curricula. As MBA program is becoming lucrative by way of salary, perks and other facilities, during 1980s and 1990s, more candidates preferred to go for an MBA degree. Those who had completed their MBA program found it more attractive to re-enter the job market rather than apply for a doctoral program. Close to 40 percent of Ph.D. graduates started looking towards industry as a greener pasture, because of higher compensation packages and chances of getting promotions are relatively better. This situation has lead to increased demand for highly qualified faculty member. Later on the supply went down, resulted in an increased pressure on remuneration packages for newly hired and present faculty, particularly those with a good academic record. In such an environment, attracting and retaining faculty

members are activities of vital importance to the long term interests of the business schools.

IX. BACKGROUND OF THE STUDY

India is a transforming country, which is very close to achieve the status of developed nation. The country has faced the global and domestic slowdown, due to the financial crisis, which happened in the year 2008 which has resulted in sub-normal growth of the country. However India's service sector remained resilient even during and after the recession. Different statistics indicate the signs of growth and expansion of country's GDP from the past 2 years. The services like, education, banking, retail, trading, aviation, IT's and ITES, transport, logistics, hospitality and many more have an around 57% contribution to the GDP and emerged as the largest, fastest growing and a dominant sector of the economy^[12]. Einstein once said, "Education is that what remains after one has forgotten what one has learnt inschool." Education is to bring out the potential in a learner by providing the learner the most congenial physical and social environment to help him realize his fullest potential. Education sector being one among the services sector, has a crucial role to play in the economic development, covers a wide variety of activities which has different features and dimensions, particularly the higher education, which is being regulated by UGC and AICTE. There are many universities from which a number of graduates pass out every year in all streams of education. All students pursuing their education hope to get a good job in the prosperous economy. Most of the students are successful in getting jobs of their choice and the rest may think for an alternative to earn money. The other alternatives could be a range of business activities, carried out by less number of individuals compared to those who give preference to paid/salaried job. The basic reason could be our education system which does not concentrate on development of entrepreneurship. At present, Indian economy is growing on an average 9-10% every year, creating ample scope for all kind of business activities^[13]. Long ago, the great Indian scholars and sages imparted knowledge on various subjects like philosophy, religion, medicine, literature, mathematics, management, sociology, etc., as a consequence, famous monasteries and universities

like Nalanda, Vikramshila and Takshashila in the 13th century have been created.

We could see a growing demand for higher education with relatively faster growth in enrolment in higher educational institutions. At the same time they are suffering, as they are oriented towards producing students, not employability. This could be improved through a quality education as like premier institutions, but they are very few in number. As per the rankings released by Quacquarelli Symonds (QS)^[14], among the top 300 universities in the Asian continent, 17 Indian universities have made their identity. At present we have 19 IIM's (autonomous institutions established by central government) and 6 more IIM's have been approved by the government in 2015 budget^[15]. Along with premier institutions, we have many B-schools offering management education. Earlier management as subject was taught under commerce discipline, later started as a separate discipline under post-graduation course, now also included under graduation programme and taught also through distance mode (correspondence course). Today, the management discipline (MBA programme) is booming with good number of admissions and scope for the subject. It is unique and globally confined and socially and economically important, where in professional education is taught and is producing the managers, who work for industries, the ultimate revenue generating sector. In India we have very few premier institutions offering MBA programme such as IIM's, XLRI, if proper attention is given, other B-schools also would emerge as premier institutions^[15].

There are 6 people involved in an improvement programme of an institution

1. Government acts as a regulator
2. University acts as a guide
3. College is the ship
4. Faculty as engines
5. Students are the sailors
6. Industries are the captains

At the moment, the management of B-schools needs to resolve the problems and challenges and be prepared to face. The existing challenges, like monetization and commercialization of education and also an unplanned growth happening in B-schools as

like IT's/ software and a major problem is high attrition rates of faculty members, and must find new solutions by undergoing major changes^[15]. Hence, they have been forced to look beyond the conventional methods and techniques of motivating faculty members and their performance management.

X. NEED AND IMPORTANCE OF THE STUDY

In India, the growth education sector, the vast diversity together with varying demographics has encouraged different players to invest in the sector. In the meantime, the consequent increase in income levels of average Indian household to spend on higher education. Due to privatization and commercialization of education, many individuals are showing interest to invest on educational institutions. Such Institutes have to be driven with a quality orientation in teaching which depends mainly on infrastructure, course curriculum and quality faculty members. Therefore this needs dedicated and committed faculty members who in turn need a constant support and encouragement by the management of various institutions.

This privatization and commercialization of higher education has resulted in certain practices which are not oriented towards the importance of human resources. Such poor practices lead to attrition of faculty members. Hence, teaching fraternity is in great demand, because of mushroomed growth of B-schools in today's competitive education field. According to sources, Karnataka state, may have more than 275 AICTE and state government approved B-schools, for the academic year, 2016-2017^[7]. In spite of mushrooming of B-schools because of demand created for the programme, it has failed in providing employment opportunity for the graduates. This probably requires an open-minded management who welcomes the ideas and can bring solutions for different ailments of B-school. There is a strong need to change the basics of the education system, not its pattern, in order to revitalize education's real importance. To achieve this, motivated faculty members who can impart a good teaching to management aspirants are crucial. As like increase in number of management institutes, the faculty member's strength should also be increased

through the strategies that aim at retention of such faculty members in B-schools. Faculty member's attrition has its impact on both individual and organization. So, there is need for retention of faculty members and also there is need for the steps that has to be taken jointly by the management and faculty members to enhance the performance of B-schools.

Source of data: Secondary data was collected from research reports, magazines, articles, internet, journals, related books, AICTE handbook, and KEA website and so on to find out the background for this study.

XI. SUGGESTIONS

Quality has become a challenge, as a result of 'services revolution' predominantly in the educational services as it is indispensable in the modern society. It is difficult to argue what should make up the quality or quality mantra for higher education. Quality education plays a key role, in the economic progress, delivering value to the aspirants and society at large. Realizing the pivotal role of the educational services industry, particularly the higher education, this has a direct relationship between education and development of national economy.

The most sought out higher educational programme is management education, as it is unique, globally confined, socially and economically important. The main challenges faced by the Indian management education system today, include a lack of focus on quality, an acute shortage of skilled faculty members, an inadequate interface with industry and corporate, failure to keep pace with a constantly changing business environment, a scarcity of effective leaders to drive the required change in B-schools and an inadequate focus on robust governance systems.

This research work has attempted to offer insights from the external and internal environment that could provide the government/respective universities, managements of institutions, departments and faculty members with suggestions on quality improvement in B-schools.

1. Due to privatization, the higher education has become the need and being considered as a business unit/industry, but not authoritatively given the industry status. The new developments in the education system show that, it is a major income generating source and an important sector dominating the society. If not the managements would have converted them to other income generating source. The government of India being the regulator has taken certain measures by approving more universities/institutions in various fields infused international concepts in its curriculum and also has brought modifications in examinations.

In this regard government can take initiations to promote quality education through certain steps like:

- Subsidies to procure technology related facilities for improving Entrepreneurship development(ED) cells, broad band connectivity, and for introducing digital libraries.
- Spincer in conducting ED programs, technological advanced programs especially for institutions in sub urban and rural areas.
- Organizing Faculty Development Programs (FDP) like conferences and seminars from Ministry of Human Resource Development/Education, and other related certified courses.
- As management programme is a professional course, it can be given an autonomous status, or a

separate university may be constituted to improve the quality of teaching, which is very important for a professional course/s, in higher education, which could give India an education brand.

- Higher education sector needs a regulator, like Education Regulatory Authority of India (ERAI), which could set standards for both government and private institutions. A separate governing council could bring effectiveness through evaluation of management programs offered by B-schools, since, most of the universities are certified based on quantitative parameters rather than qualitative requirements. It is how many class rooms, number of teachers, how many laboratories and so on, instead of, the pedagogy, the quality of teachers and research done.
- 2. The objective of privatization is to improve the quality of education, which is based on infrastructure, course curriculum and human assets an institution has. Though huge investments are made on infrastructure, very less importance is given for motivating the faculty members who are the valuable assets of the institution.
- 3. Continuous improvement programme should be conducted to motivate the faculty members.
- 4. There is vast growth in the number of institutions, but adequate care must be taken to maintain quality standards.

B-schools have to aim higher to improve the quality of management education and services they provide to students, to be in competition. Therefore the management institutions need to engage in an active, ongoing system of self-assessment and self-renewal to sustain quality teaching/learning process and to drift towards a learning organization.

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