

## **Management Education for Future Managers : Issues and Concerns**

PROF. SAMEER S. PINGLE\*

Management education is a big business today. The mushrooming of business schools and the increase in number of seats for management courses has led to number of problems, which includes infrastructure, skilled faculty, quality of students and their changing expectations from institutes, matching industry expectations, changing government regulations, cut throat competition etc. There is heterogeneity in the institutes in terms of size, location, curriculum, affiliation, pedagogy as well as orientation with few management institutes focusing on industrial exposure, while others are still focusing on traditional classroom methods. The management institutes are expected to educate and train future managers, as industries do not want to spend much time for training and development of new employees. Thus the onus is on institutes imparting management education. In this theoretical paper, an attempt has been made to identify key issues and concerns of management education for future managers. Recommendations are given to the management to bring about changes in the education process.

**Key words:** Management Education, Faculty, Future Managers, Business Schools

### **Introduction**

21st century India witnessed a sea change in its educational system. Process of globalization not only transformed traditional approach of the system with a more efficient professional approach; but also introduced new age courses which have more economic value in today's time. Management education is one among those which got a new dimension with this changing time; though the history of management education is not too new in this part of the world. The Andhra University was the first to start a full time management program in the way back 1957. The All India Institute of Management and Social Welfare, Kolkata and Delhi University then followed it in 1958. It is in 1960 when the foundation of the first Indian Institute of Management in Ahmedabad is laid. Since then India has witnessed a gradual growth in this sphere of education. Most of the management education in India is in the form of MBA (Master of Business

Administration) and in PGDM (post Graduate Diploma in Management) or PGDBM (Post graduate Diploma in business Management) and they are available at fulltime, part time, distant or online mode ([www.soooperarticles.com](http://www.soooperarticles.com)).

Management has an important role to play in all types of human efforts. It is the management function that makes difference in the performance of any organization and achievement of its common goals. Management is a universal phenomenon. The importance of management in business has further increased during recent times because the scale of operations have gone high, labor has become more specialized, markets became competitive and an efficient and effective handling of things became need of the day. To successfully face the competitive markets, it requires developing a proper vision by understanding the situation and then adopting a suitable

\*Assistant Professor, OB & HR Area, Institute of Management, Nirma University, Ahmedabad, Gujarat

style of management that can ensure optimum use of human and other material resources.

Education in management has two aims. Firstly, to increase the understanding of the factors which influence the conduct of organizations and secondly to provide students with the tools and techniques which they may use to influence organizational life.

### **The Manager of 21st Century**

The managerial function has undergone considerable changes during the last century. Formerly, a manager was seen as homo economics, or a homo rationalist, objectifying and monitoring the individual corporate operation. This epoch was characterized by a rather mechanistic view of management, top- down command structures, and strict hierarchic interpersonal relations. Within this classical view of managers, emphasis was put on the 'controlling job'. Henry Fayol and Frederick Taylor are seen as two of the most famous representatives of this view, while Luther Gulick and Lyndall Urwick used the acronym POSDCORB (planning, organizing, staffing, directing, coordinating, reporting and budgeting) to categorize the activities within the managerial job about eighty years ago.

As time has gone by, the business environment has transformed into a different playing field, posing different demands and challenges on the management function. This changed competitive reality urges managers who want their enterprises to be and remain competitive to search globally for opportunities and resources, maximize returns on all the assets dedicated to a business, perform only those functions for which the company has, or can develop, expert skill, and outsource those activities that can be performed quicker, more effectively, or at lower cost, by others. Within the 21st century playing field, firms are continuously engaged in boundary-busting, adaptation processes, learning processes and creating the required knowledge and

skills to achieve a competitive edge in the turbulent environment of the economy (Van et al. 2001). Due to these fragmentations as well as the importance and locus of knowledge and skills, the position of the manager can be viewed as being no longer unique. (Van et al. 2001).

### **Management Education at World Level**

The role of education, especially management education, in building a workforce and management capable enough to cope with these challenges, has placed business education in a much sharper focus than ever before. Knowledge is a scarce national resource, which must be developed on a continuum. The supply of knowledge in any field can be increased by an education system. However, creating "yearning for learning" should be the primary aim of an educational system. From this point of view, we have to identify the difference between teaching and learning; learning occurs when the student figures out how to solve his own problem. Business education can be judged on four categories:

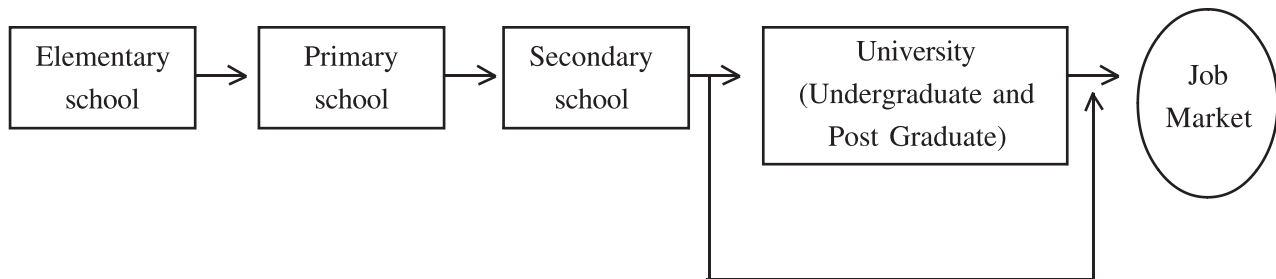
1. Knowledge, which allows students to understand;
2. Know-how, which enables students to put their knowledge to work;
3. Wisdom, which enables them to decide whether, where, or when to do it; and
4. Character, which makes them decent human beings, fit to live nearby.

Different nations have different levels of success meeting global challenges facing the national education system. The issue is hard to manage and very complex, consisting of different economic, cultural and lingual aspects (Gill, 2003).

The educational system can be represented as a multi-stage input-output system, as shown in figure 1. Business education, at the university level, is the last stage in this

educational system. The input to the university stage is the pre-university educational system, while the output is job market. In order to satisfy the job market, we first need to identify its requirements and compare them

with our educational system's capabilities of meeting those requirements. Most of the basic skills are built at the pre-university stages.



### A Multiple Stage Education System

(Source: Gill et al. 2003)

Figure 1

According to Gupta (2007), the reasons for explosion of management education world over can be traced to the following factors:

- i) **Democratization of Higher Education:** the proportion of adults with higher educational qualifications in the organization for Economic Cooperation and Development (OECD) countries almost doubled between 1975 and 2000, from 22% to 41%. But most of the rich countries are still struggling to digest this huge growth in numbers.
- ii) **Rise of the Knowledge Economy:** Today knowledge is replacing physical resources as the main driver of economic growth. The Organization for Economic Cooperation and Development (OECD) calculates that between 1985 and 1997 the contribution of knowledge- based industries to total value added increased from 51 percent to 59 percent in Germany and from 45 percent to 51 percent in Britain. The best companies are now devoting at least a third of their investment to knowledge- intensive intangibles such as R & D, licensing and marketing. Universities are among the most important engines of the knowledge economy.
- iii) **Globalization:** The number of people from OECD countries studying abroad has doubled over past

20 years to 1.9 mn. The universities have started opening new campuses all around the world. Further, a growing number of countries are trying to turn higher education into an industry.

- iv) **Competition:** Traditional universities are being forced to compete for students and research grants. Private companies are trying to break into a sector which they regard as "the new health care" as it is generating huge revenue. There are more than 80 million students worldwide, 3.5 million people are employed to teach them or look them.

### Impact of Globalization on Business Education

The pattern and structure of business education in the country have remained virtually on the traditional lines, whereas the quality requirements of business, trade and industry have changed significantly. Indiscriminate expansion of traditional business education, conventional teaching and examination methods, diversity in the courses and syllabi of different universities, lack of suitable specialization, non availability of quality study materials, indulgence of the personnel of the universities and colleges in nonacademic activities, aimless group of students, etc. are some of the glaring shortcomings of traditional business education in the country. In spite of many revisions and improvement, business education

could not be revamped and re-organized on modern lines. Mere changes of titles of papers and course structure of Graduate and Post-Graduate courses from first year to final year are not going to bring any suitable improvement and up gradation in the quality of the quality of the business education. Business and industry are also hesitating to absorb such graduates in the changed scenario.

Keeping in view the changing economic, business and technological environment in the country as a result of recent reforms and globalization, it has become essential to redefine the goals of business education. Further, it is necessary to determine a correlation between 'what we are offering in traditional business courses and what is needed'. Our traditional business courses are subjected to a fast deterioration and decay because of the lack of required social relevance and inbuilt practical orientation. In fact, after Independence, in regard to business education, we drafted in the conventional stream of education has an important role in the process of restructuring the industry and trade in the economy. It is because of the fact that business education is a distinct discipline imbued with all the qualities and features of professionalism and specialization like any other branch of professional education. Hence, it is our paramount duty to design and develop appropriate business courses both at under-graduate and postgraduate levels in lieu of revising and changing the conventional ones (Pandey, 2008).

### **Bridging the Gap Between Theory and Practice for New Age Managers**

By having people who know about business techniques and can teach business management. First of all, the faculty is envisaged to be a special breed of people. They not only have high academic qualifications, but are also Masters or Gurus of the ideas they are discussing, "What we are doing right now" is the keynote among management students but, the thing which really makes a faculty special is the ability to teach and

communicate in a very effective way.

The management education of the new age should be in a position to assess the needs of the industry and educate managers accordingly. Newer methods of manufacturing and newer business processes have been changing the way business is done. The old thumb rules are giving way to newer rules of the game, which keeps on changing. It is not possible for the academic world to teach what they think is right and still produce management graduates, which the industry wants to absorb. The management education should now come out of their shell and see what the industry requirements are.

Teaching basic sciences, like chemistry, Physics, etc. where there are certainties is very different from imparting management education. The management is full of uncertainties and only those who can handle these uncertainties well come out as capable managers. The teaching methods of management would vastly differ from the teaching of basic science. The basic framework may be provided by the academic syllabus, but the students need to be educated more on the application of the principle.

Most institution depends on a well-prepared curriculum from the academic point of view, and not on the basis of the views received from the industry. The academicians have always felt that the curriculum is their area of purview. Now the paradigm must change. The academicians need to interact with the industry and then only prepare the curriculum based on the needs of the industry and trade. That would mean a market research with the corporate on their expectation. Here it is not just the industry institution that is being proposed. What is proposed is a market research requirement that should be taken by the academicians with the industry to know what they are looking for from management graduates, and putting forth a curriculum to suit the corporate needs (Vernekar et al. 2003). All



processes that are acceptable in a manufacturing industry now must be applied to the educational institutions also. Starting from ensuring the quality of raw materials, a defined process, parameters, monitoring point, measurement criteria, final inspection criteria etc. are now to be applied the management schools. (Cornuel, 2007)

### **The Changing Role of Management Institutes**

The process of management education has to be looked at now in a very different manner. Every institution is finally commercial in nature. Educational institutions are no exception. This may sound harsh, but the fact is that any educational institution, which cannot make profits, cannot sustain itself and continue on the good work being done by them. Therefore, there is no need to shy away from saying that education is also an industry. It is like any other industry that offers a certain service to the customers. The successful business school of the future will offer innovative programmes, backed by the appropriate resources to guarantee an excellent faculty body, an international experience and a multi-cultural environment to its students. At the same time, successful business schools will seek accreditation and quality improvement programmes to prove to the market that they are committed to excellence and innovation (Cornuel, 2007).

The management education if it is accepted as a service industry, the role can be well defined. It should not be the academic requirement that is running them but the requirement of the industry that should be running them. The students have different backgrounds like science, commerce, etc. at the graduate level. But when they join the management institutions is to adopt a process in education that the industry demands, and not with a process that the academicians have decided to impart. The role of the academicians in these institutions needs to change now. Instead of deciding what they think is right to be taught to the students, they have now to think as to change the curriculum to suit the corporate

needs.

### **Conclusion**

The academicians must interact with the industry to know their needs then develop a curriculum that suits the industry best. New teaching pedagogy and interactive ways of learning should be devised to make management education as lifelong experience for students. If a management education institute can be considered as a factory, then a whole range of new factors needs to be analysed. The management institutes need too look at the efficiency and effectiveness of the business education process. The contribution from management, faculty, students and other stakeholders is necessary to bring about changes in management education.

### **References**

- Cornuel Eric (2007), "Challenges Facing Business Schools in The Future", *Journal of Management Development*, 26(1), 87-92.
- Gill, A., Lashine, S. (2003), "Business Education: A Strategic Market Oriented Focus", *International Journal of Educational Management*, 17 (5), 188-194.
- Gupta, Satish (2007), "Professional Education in India- A Case Study of Management Education in NCR", *IME Journal*, 1 (1), 28-45.
- Pandey, Manas (2008), "Globalization of Business Education and its Impact on India", *Innovations in Management Practices*, 125-130.
- Van Baalen. P.J, Moratis. L.T. (2001), "The Manager of the 21st Century", *Management Education in the Network Economy*, Kluwer Academic Publishers. London, 58-78.
- Vernekar. S.S, Subramanian K. Venkat (2003), "Management Education for the New Age", *Innovations in Management Practices*, 215-220.
- <http://www.sooperarticles.com/education-articles/international-studies-articles/management-education-india-30505.html>, July 22, 2010