MANAGEMENT EDUCATION IN INDIA AND ITS PERCEIVED QUALITY

Hemlata Agarwal

The author is Assistant Professor at S.R. Luthra Institute of Management Surat

Abstract

The management education institutes are aimed at moulding the participants into career-seeking, efficient business managers or administrators and especially sensitive organizational leaders and change agents. Though the emergence of new business schools is in response to market realities, however this quantum increase in the number of schools has given rise to the many crucial issues. This paper is an extensive literature study on what is the existing perceived quality of management education in India. This study proposes the applicability of Service Quality Gap model using SERVQUAL to the higher educational sector, apart from the other traditional areas of service sector industries.

Talk of technical or professional education, among them; Masters of Business Administration (MBA) is the most popular and prestigious postgraduate programme in India. According to a survey done by A & M, 15 April 2001, pp. 43, on 'India's Top Status Symbols', educational degree gets the highest scores in Hyderabad, Chennai and Kolkata. According to the survey an M.B.A. still conveys most prestige, though it has lost share from 42% to 24%. M.B.B.S. is also considered a prestigious degree for 10% of the people. Engineering with general degree and postgraduate degree are tied at a prestige share of 9% each, Post-graduates like M.A./M.Com-9%, Graduates like B.A., B.Com-9%. InfoTech degrees are a new entrant this time i.e. IT professionals-6%, Interestingly, women accord this symbol more power then men. Others account for-33%.

If we talk specific to management education, then we know that, the management education institutes are aimed at molding the participants into career-seeking, efficient business managers or

administrators and especially sensitive organizational leaders and change agents. In India, Post-Graduate Management Programmes are popular because: -

a) They are perceived to develop participants for a secured professional future and better their prospects of getting good/prestigious jobs.

b) Job opportunities for post-graduate management participants are perceived to be more than participants graduating from other post-graduate courses.

c) Participants from all streams are eligible. Participant who has completed post-graduation can opt for an MBA degree as a professional qualification.

d) It has been noticed that the old order of promotions based on seniority is outdated. Companies today take into account performance along with a professional qualification and continuous education for an employee's promotion.

e) MBA being a professional qualification,

there is no age limit on studying for the programme. It is a process of continuous education.

f) In the corporate world, for certain positions, even professionals with qualifications like CA, ICWA, MCA and MBBS find some kind of management education necessary. Their entry into this programme has further increased the importance and popularity of this degree in the corporate sector.

According to Cygnus estimates, business education market in India is about Rs.30 billion in 2008. (Campus and distance education together) and it is growing at a rate of 12% CAGR in last 3 years. Currently 1,600 business schools producing over 100,000 management graduates every year is not enough to meet the growing demand for management education in India. Against 290,000 students applied for CAT in 2008 number of seats offered by IIMs are 1,700 only showing the huge demand – supply mismatch for quality management education in the country. As a result, opportunities in management education in India are immense.

In this respect Ganguli (1998) has said that with the mushrooming of management institutes and the consequent competition and consumerism, the pertinent point is that teaching be relevant to actual reality in the industry and workplace has become paramount. Though the emergence of new business schools is in response to market realities, however, this quantum increase in the number of schools has given rise to the following crucial issues (AICTE Mannual1999).

1. Uniformity in screening process for admission in MBA (and equivalent Programmes).

2. Availability of faculty.

3. Quality of instruction.

4. Benchmarking of Business schools.

5. Acceptance of Graduates of these new business schools by industry.

To understand and analyze any problem we must first learn the past, understand the present and identify the factors affecting future growth prospects. Therefore the author has done extensive literature search to understand how different people observe the quality of management education in India.

This paper can be significant to the administrators of a management institute or any place of higher education. It can help them identify key areas, where they have to improve upon to provide better service to participants. This study proposes the applicability of Service Quality Gap Model using SERVQUAL to the higher educational sector, apart from the other traditional areas of service sector industries.

Classification of Management Education Institution

Garg and Gupta (1999), Chowdhary (1999) have classified the Management Education Institutions in India based on their origin, modus operandi, funding and conduct etc., in the following seven categories:

1. The premier most institutions like IIMs.
2. Management faculty of various universities.
3. Private institutions started by individuals/trusts/societies (Affiliated to

universities).

4. Private institutions started by individuals/trusts/societies (Not affiliated to universities. They are autonomous bodies).

5. Private Management Education Institutions with Foreign University affiliation awarding foreign degree.

6. Management Education Institutions started and supported by corporate houses like ISB at Hyderabad.

7. Management Education Institutions providing education in specific areas like TISS, IRMA, IIFM, and XLRI etc.

Management Education and its Stakeholders

Rao (1999) says if quality is about meeting and exceeding stakeholder needs and wants, it is important to be clear whose needs and wants we should be satisfying. He says that in education, stakeholder can be the one who are the primary beneficiaries of the education service like – 'Participants' or the one who pay for it such as 'Parents'. Or stakeholders of education Institutions can also be their 'Employees', 'Industry' or 'Government' who have a direct stake in the education of a particular individual or in a particular institution. The 'Society' as a whole can also be termed as a stakeholder though they may have less direct but nonetheless crucial stake holding in education.

The diversity of stakeholders makes it all the more important for educational institutions to focus on stakeholder wants to develop mechanisms for responding to them. It is important to define clearly the nature of the service an institution provides to its stakeholders.

Literature Review: Perceived Quality in Management Education

"The emergence of a borderless world for management education, the rise in cross cultural heterogeneity and the emergence of knowledge power presented the need to groom life-long learners," said Prof. Pritam Dhar, Director, Indian Institute of Management (IIM), Lucknow. Prof. Dhar was speaking at the inauguration of a two-day workshop titled 'Reinventing Management Education: Closing the Gap between business schools and Corporations.'

According to Prof. Dhar, the workshop traces its origins to fie basic issues (a) the preponderance of Concept Focused Schools rather than issue Focused Schools in India, (b) the poor integration between the corporate battle field and corporate Olympiad, (c) the dominance of the capability-building approach over the development of the strong business sense, (d) the absence of the 'total' management school, and (e) the dominance of cognitive learning over learning through experience.

Dr. Y.K. Bhushan, President Association of Management Development Institutes in South Asia (AMDISA) raised questions about the purpose of management education. "Is it about lucre, only about the corporate sector?" he asked. "Or, will it be available to all those who need it, including non-corporate institutes?" The emergence of Southern Asia as a significant region in the world through management education could make a difference to the destinies of nations, though, he added. The AMDISA has 158 members, 8 life members, 123 institutes and 10 corporations.

Management education in India has a long way to go before it attains global standards. The founder president of AMDISA, Mr. Dharni Sinha made interesting revelations in this regard. Referring to a study conducted jointly by COSMODE and Business Today in '98, he said India has 698 AICTE approved B-Schools. About 22 foreign schools have set up local branches. Of these 720 schools, only 6-7 meet global standards, and most of them are the IIMs.

It's obvious that B-Schools have failed to evolve. As Prof. Dhar observed, despite the country's vast rurality, there are very few courses on agricultural management. He emphasized the need for B-Schools to evolve their own unique styles and methodologies of teaching. Management education in India will not reach global standards if B-Schools cloned themselves after the IIM'S, he added. Even if they fail it's not because they lack skills and have a faulty attitude. The quality of B-Schools education in India leaves much to be desired.

According to Mr. Ashok Chandra, Secretary, HRD Ministry, so far, management education has been concerned with organizations only. The times have come for it to be system-centric.

He also said there should be a common entrance test, advocated the creation of a national center for management teachers development and suggested that Indian schools evolve pattern of education that complements our social and cultural moves.

Mehta (1999) says that today when you are thinking of management, you are thinking of coping with the arrangements of society which are changing very fast; which are almost metamorphosing themselves in a few months, or a few years of time. And what was true today may not remain true the next month. Every participant of management will have to equip himself/herself with tools and techniques, skills and motivation, with which he can understand and cope with the pressures of change. He points out that the changes have taken place

1. In the field of Industry, its called reinventing industry.

2. In our personal career ambitions also.

3. In the entire gamut of governmental relationships.

Therefore, management education must adopt the changing expectations of important constituents (participants, faculty, industry, administrative staff, society, management and Government). What was once considered to be excellence in management education no longer suffice. Both new methods and new measures are needed to meet this challenge.

Hundekar, Shollapur (2000), opines that Management education prepares career-seeking, efficient business managers who in due course develop into competent and socially sensitive organizational leaders and change agents. The universities, the schools/institutions of management studies etc., have to produce the best of the human capital measuring up to the expectations of the emerging business world industry and overall aspirations of the nation. It is in this context that the quality of management education and its delivery assumes a greater significance.

While scanning the present quality in management education Chatterjee (1999),

Reddy, Khan (1999), Bhattacharya (2001), Balasubramanian (1993) sees that barring a few centers of excellence, almost all the colleges and universities are pictured as places of chaos, political conflicts, poor infrastructure, excessive crowding of participants, mass copying in examinations with frequent violence and an ambience of apathy and disenchantment over academic objectives.

Rao (1999) says that according to critics the system is dysfunctional on account of its massive size and unrestricted proliferation. There are about 240 universities and about 9000 colleges having enrolment of 5.5 million in the age group of 18-23. The quality of management graduates in other institutes is open to doubt, according to leading corporate houses. The infrastructure facilities have sprouted up in school buildings, two-room apartments, and in busy commercial locations- started by fly by night operators. In the absence of a rigors admission criterion, the field is wide open for mediocre participants to enter the arena freely. Where the norms are tight, at least on paper, the door is open for the rich and the famous under the 'NRI' category. Since the whole activity takes the shape of money spinning venture for innovative entrepreneurs in the filed of management education, there are no funds for library, books, seminars, symposiums and industry interaction. The picture would be more clear when we turn our attention to the academic inputs received by participants in these 'mills of learning'!

Further, the 'Core' faulty members are mostly freshers; looking for a break desperately says Khandai (2000). They do not have a rich 'CV' to support their credentials. Apart from this, these poorly equipped teachers do not make any effort to interact with industry and learn. In addition, the poor pay scales also seems to come in the way of attracting talented people into this profession. Most of the time these institutes are run on the strength of visiting faculty members whose commitment to participants and the institution is questionable. The curriculum is loaded with heavy dosages of theory. When the teachers themselves are not fully equipped to handle industry related situations, you cannot expect much from the participants. In the absence of practical exposure, most participants are unable to fine tune and apply the theoretical concepts to real-life situations and emerge as 'winners'. To compound the problems further, the syllabus in most Universities / institutions is not revised frequently to take care of latest trends in the industry. The B-schools are not sufficiently in touch with the real world and the pace of change, which is challenging Management, thought today, and is threatening their credibility. The B-schools have themselves forgotten the participant's needs.

Thothathri and Thomas (2001) points out that there is also an uncomfortable feeling that neither the government regulators, chiefly the National Accreditation Board and the AICTE nor the industry associations All India Management Association (AIMA), Association of Indian Management Schools (AIMS) or the Association of Indian Universities (AIU) have been able to make much of a headway in arresting the rapid drop in quality of management education in the country.

Khandai (2000) says in this race, the parents of the ward are also to be blamed for

deteriorating quality of Management Education. They are lured by the glided future that management education apparently offers. They goad their wards into opting for this course, without taking into account their interests, aptitude and intelligence levels. Participants enter the portals of a B-school with the false misconception of a glorious future. The reality is something else entirely. Mismatched participants result in a badly finished product. These participants on completion of the course are unable to deliver the goods. Non-performance will *ultimately result in unemployment for the* budding managers of tomorrow.

Choudhary (1999) says that it happens everywhere that whenever there is quantitative growth as in case of educational sector it impacts the quality. However, countries that have evolved system of quality assurance/audit have been able to overcome the problem and could meet the expectation of all the stakeholders reasonably well.

Unfortunately, only a handful of the institutes in our country have paid attention to this crucial issue. Most Universities' Management Departments, which do produce a good chunk of management graduates, are badly lacking in the prerequisites of a good management institute.

Ralph and Douglas (1998) have identified that the above scenario is the reflection of four assumptions, in which, management education is operating (now and in the future).

1. Conditions and conventions within the educational environment are changing.

2. They are changing faster than they have changed in the past.

3. It is largely felt that changes are likely to take place much more rapidly.

4. Sensitivity to these changes is imperative; their implications for the Institutions need to be anticipated.

Therefore, it is important that management Institutes must adapt to the changing expectations of the important constituents (participants, faculty, industry, administrative staff, society, management, *alumni, experts, and Government officials,*). What was once considered to be excellence in management education no longer suffices. Methods of delivery and new measures for evaluations both are needed to meet this challenge. In services like education, delivery of quality is a process of continuous improvement and rectification of errors. Though *teaching, learning and research* may remain as core activities of a management institute, the real responsibility of the institute should be to create a value added *'participant resource' that the* employers may consider useful.

Dhankar (1998) says that along with this, one must study the new trends in management like Internationalization, cross-cultural ventures, partnerships and strategic alliances (for an example ISB, Hyderabad) that are reflections of what is happening in the business-Industry sector. Coupled with these we are witnessing in the corporate sector strategic trends like downsizing, adoption of flatter organizations and lateral relationships, transformational leadership, implementations of the concept of flexi-management, which cannot be overlooked either.

He further adds that the responsibility is not only to impart good education and prepare the candidate for securing immediate placement but also prepare the participant for a long-term performance on the job. To fulfill such a responsibility the institute should systematically search and decide what inputs should go into process of education, how to assist participants in learning and asses what other activities it should concentrate on. For coordinated development of education viz teaching, extension and research, the clarity of perception is needed for achieving synergy and quality development.

Quality Concerns in Management Education

In general it is perceived that quality is being practiced in management education. However, there are some *key factors* within management education, which questions the assumption that it is quality driven. Ghosh (1996), Khajapeer (1998), Bagachi (2000), Venkatesh (2000), Hundekar and Shollapur (2000), Jeremiah (2000), Nath and Mukherjee (2000), Desai (1996), Nanjundappa (1983), Bhattacharya (2001), Kaushik, Goyal (1999).

Macro Factors

❖ People not connected to academia, by and large feel that the quality in management education is questionable.

❖ The general public also seems to have greater expectations for the job-related value of management education.

❖ The economic conditions have generated increasing concern about career opportunities and the contribution of management graduates to economic well being of the country.

❖ There is decrease in the levels of esteem and trust associated with institutions of management education

❖ Decrease in funding for management education during the past decade at both the local and state levels.

❖ Brain Drain.

Curriculum

❖ It is felt that the Curriculum is outdated and not suitable to the future requirement.

❖ Urgent need to focus on the areas in which national sectoral growth is being envisaged.

Delivery

❖ Insufficient training of teachers and absence of exchange of faculty.

❖ Lack in adoption of right kind of technology for imparting management education.

❖ Insufficient infrastructure and poorly managed equipments.

❖ Need to export for foreign exchange.

❖ At the most basic level there is disagreement over the priorities assigned by the academy to the traditional triad of teaching, research and service.

Promotion and Image Building

❖ Certain quarters have expressed the views with regards to improper pricing and poor promotion of the courses of certain management institutes.

❖ Certain management institutes do not undertake image-building activities.

Industry-Institute Interaction

❖ Poor Institution-Industry interaction.

❖ There is a gap between what Industry requires of management graduates of colleges and universities and the resources been provided to them.

Examination and assessment

❖ Examinations are more academic and assessment centred.

Consequent on these shortcomings, a gap has arisen between the education imparted in management institutes and the Industry requirements. The different dimensions of this gap include the expectations of stakeholders of the management education (management participants and the business community) and the perceptions of management institutes regarding the needs of the former, the gap between the service quality specifications, as desired by the contemporary business world and the quality of service delivery as rendered in the management institutes. It is, therefore, imperative to evolve an ideal system of delivering service quality so that management education can come up to the desired level of expectations.

Conclusion

It is evident from the above, that today management education needs thorough overhauling. Reforms in education require the participation of all the stakeholders (participant, faculty, management, trustee, corporate recruiters, alumni and society). It has been found that by and large there exist inadequacies in measuring the expectations that stakeholders have from educational institutions. While the measurement of service quality, and even the measurement of the expectations and perceptions of stakeholders and providers are well established in the service literature, less attention has been given to the assessment of the "gaps" with regards to stakeholders in management education, which cause the stakeholder dissatisfaction. The interested researchers can measure these gaps by adopting the service quality model formulated by Parasuraman, Zeithmal and Berry (PZB), 1985 using SERVQUAL. In Management Education, as per the model, one can measure following five gaps that causes unsuccessful service delivery-

1) Gap between participant expectation and Management perception.

2) Gap between management perception and service quality specifications.

3) Gap between service quality specifications and service delivery.

4) Gap between service delivery and external communication.

5) Gap between perceived service and expected service of all the stakeholders.

The researchers can highlight these perceptual differences of the major stakeholders, which if understood will go a long way in delivering superior education quality.

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