

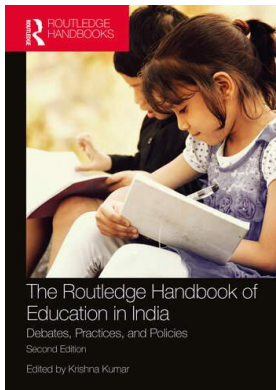
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## **The Routledge Handbook of Education in India Debates, Practices, and Policies**

Krishna Kumar

### **Management education in India**

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# Management education in India

## How far have we come?

*Pankaj Chandra*

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The idea of management is to develop perspectives, processes, and values that drive growth of innovative ideas, products, and services in order to give meaning to human endeavour and provide improvements in quality of life. It is also about effectiveness and efficiency in delivery of goods and services in society. Education in the world of management was about learning to manage organisations and individuals therein in the realisation of their own potential and aspirations. In that, many different drivers have defined the pathways to growth of organisations and, more importantly, their role and impact on societies. Globally, institutions of management education have led the changes in the world of business and industry through their graduates and their thinking.

Today, competing principles of management are readily seen driving business and industry as they do social organisations and political institutions like governments. Strategies of focus and differentiation, financial ideas of leverage and risk, policies on pricing and consumer insights, integration of supply chains, and the operations of execution, to name very few, are now common influencers in such disparate fields as law and security, judiciary and governance, infrastructure and environment, etc. The reach of managerial thinking is widening and its principles and logic are seen as complementing the philosophy, economics, and sociology behind the functioning of any society. The question, however, remains as to how well the practitioners of management are able to grow their knowledge and consequently influence in helping make society better. And, as a corollary, how well the institutions of education in management are performing in their job towards preparing such managers who understand the organisations of the society as well as they may do in business in order to truly become agents of social change. For, business has the strongest potential for achieving the same.

This chapter is about the promise of management education in India and its journey into the future. In that, it is closely linked to the transformation of the global economy and the accompanying changes in the world of business in India. But here, the story of Indian management education takes a path that makes its sojourn a bit more interesting than those of many other nations. In this chapter we track the big changes, comment on its journey, engage with the discipline(s), explore the challenges, and identify aspects that render the current project of management incomplete.

Formal management education in India can be euphemistically called the child of the newly independent nation, as the new nation had the need to build for itself enduring factories, roads,

power plants, financial system, etc., not only to run a nation but also to lay the foundation of its industrial future. It has come quite some way since then. Structurally, it is estimated that India has around 3,900 institutions that offer management degrees and postgraduate diplomas, and that enrol about 0.35 million students. The postgraduate students in management (and management education in India has largely been a postgraduate affair) comprise about 16.5 per cent of all postgraduate students in India across all disciplines, only second to the social sciences that comprise 20.6 per cent of the total population of postgraduate students (Government of India-MHRD 2014).

## The promise of management education

The promise of management was a structured understanding of organisations and all that they stood for and undertook. To understand what has happened to management education, one has to recall briefly the evolution of industries in India and their different managerial systems and styles. At Independence, the country struggled to reconcile the contrasting managerial systems and styles of the mill owners of western India, the sugar barons of the north, the jute mills and the tea plantation owners of the east, and the big spice growers and merchants of the south. In between there were traders from India who carried goods to East Asia, Arabia, and Africa, the small producers of engineering and consumer durables all over the country, and road contractors who became the early infrastructure developers (along with the accompanying raw material providers). There were some dissimilarities in how they conducted their business. The big distinction in managerial form, however, came from firms with British origins (mostly out of Calcutta and sometimes Chennai) – at the most trivial level, it was suit-and-tie-wearing managers versus the dhoti-clad agency firms of western India; at a higher level of managerial sophistication was the ‘parta’ system of accounting as practised by the Marwari traders and producers versus those working towards the annual royalty payments to the owners in England that was used by the British companies in India! Their managerial systems were different. But the real breakthrough in managerial form and structure came through the management of public sector enterprises, with their largely technical manpower that subsequently became the bedrock of Indian management until the liberalisation of the Indian economy in 1991. These contrasting forms have influenced significantly how education on organisations evolved over time.

For a long time, until the early 1950s, people learned on the job (a rare few were educated abroad formally in management). They came with a variety of graduate degrees – largely arts and social sciences. Entry into private firms was often through an introduction and connections. You climbed the ladder and if you stayed long enough you would have learned most of the managerial traits – the engineers, however, managed the plants, and the chartered accountants handled finance; production was people management and the rest was largely implementation of standard technology. The salespeople were considered articulate and worldly wise – they were the ones who would travel and see the ‘world’. Finance functions were kept close to the family or the trusted. The people management function or ‘personnel’ took care of industrial relations, managed housing colonies, and looked after their welfare. The promise of a private industry job was better remuneration, a style of working and living, and sometimes travelling to larger cities. They were distinct from government jobs. Much of the thinking in the organisation was driven by the owner’s perception of the opportunities and his connections. The bureaucracy, however, had full control over what organisations did and both benefitted from this relationship.

With Independence came the public sector units (PSUs) – enterprises established by the government in a variety of domains – steel-making, machine tools, heavy engineering, large electrical motors and turbines, telecom, pharmaceuticals, etc. – all things that were required to

service the public and their needs. With them also came service firms like banks and insurance and airlines, as well as the expansion of railways. All needed skilled manpower to manage these enterprises and help them increase their reach. These enterprises borrowed heavily from both – the rules and regulations from the government and a managerial form from the private – a truly hybrid form of organisation, though over time the former eclipsed the latter. While the government was the owner, it was a faceless owner and lived at a distance, at least in the perception of most employees of a public sector organisation. The PSUs became a strategy for developing underdeveloped regions of the country. They came with new facilities, often with the help of a friendly foreign government and expatriate managers, newer technology, planned townships, high-quality schools, and a sense of brotherhood and purpose – building the newly independent nation. They publicly recruited large amounts of technical and non-technical manpower. Industrial towns (other than the older private ones like Jamshedpur in Jharkhand, Nagda in Madhya Pradesh, Kirloskarwadi in Maharashtra, etc.) like Bhilai, Durgapur, Bangalore, and Dehradun started to grow post-Independence. To the list of industries from groups like Bajaj, Kirloskar, Tata, Birla, Dalmia, Lalbhai, Mafatlal, Godrej, Scindia, Walchand Hirachand, Thapar, Goenka, Bangur, Morarji Goculdas was added, first, the names of private firms (with British origins) like the Imperial Tobacco Company (today's ITC), Imperial Chemicals Industries (ICI), Metal Box, McNeil and Magor, Martin Burns, Jessop and Co., and then the PSUs like Steel Authority of India Limited (SAIL), Indian Telephone Industries (ITI), Hindustan Machine Tools (HMT), Bharat Heavy Electricals Limited (BHEL), Heavy Engineering Corporation (HEC), Coal India, Indian Space Research Organization, Life Insurance Corporation, State Bank of India, etc. Such was the diversified nature of the industrial base of India. For a detailed account of Indian business see Tripathy and Jumani (2013). This growth needed people with diverse skills (production, technical, human resources, sales, finance and accounts, industrial relations, organisational design and behavioural science, etc.), including people to manage facilities and townships, people to take products to potential consumers, and people to coordinate with the government. And equally important was the need to understand the various differences in the management systems across this spectrum of firm types. The need for management education had been established. The first task, however, was to understand: what did people do in organisations? Who did what? And why did they do things differently? Why did ownership matter in the way we did things? How could each be improved? These formed the early questions that became the basis of thinking of a management education curriculum.

## Phases in management education

Early managers learned on the job and came from diverse backgrounds. Development of management education in India can be described through four phases. The first two phases of managerial education in India could easily be termed as the pre-Indian Institutes of Management (IIM) era (until 1960) and the coming of IIMs era (1960–2001), reflecting the overwhelming influence of the IIMs on the state of management education in India and the role of their graduates in business and industry. Subsequently, it has been influenced by the impact of liberalisation of the Indian economy, the expansion of IIMs, as well as the establishment of private institutions like ISB. The final phase reflects new directions post-2015.

### *Phase I: the pre-IIMs era (until 1960)*

The first phase of managerial education was largely driven by the discipline of 'commerce'. Starting in the early 1950s, three institutions started to devise curricula that were broader and

wider than the traditional commerce education that placed heavy emphasis on accounting, principles of finance and legal aspects of business, i.e. company law. This was found to be insufficient in managing affairs of the new enterprises. The early leaders of organisations often had such training. Education at these three institutions was mostly practice-driven and vocational in nature. These institutions were the Xavier Labour Relations Institute (XLRI) in Jamshedpur, the Indian Institute of Social Welfare and Business Management (IISWBM) in Calcutta, and the Faculty of Management Studies (FMS), University of Delhi. XLRI started by offering in 1949 courses for management and unions, and focused on industrial relations in organisations. It developed a close relationship with neighbouring Tata firms in Jamshedpur and later offered a master's degree. IISWBM offered the first graduate-level programme (i.e. MBA) in management in India in 1953. Kolkata was the centre of business and industry (especially jute mills, textile mills, tea estates, and agency firms from British times), and this programme was affiliated to the University of Calcutta. At the same time, in Delhi (in 1953), the commerce department of the Delhi College of Engineering was closed down and the FMS of the University of Delhi was established in its place with a faculty member from the engineering college as its head. All these programmes were amalgamations of commerce education, some behavioural skills that involved understanding labour and unions, a sprinkling of topics that would provide skills in planning, an understanding of the economy, as well as some inputs on markets. These were pioneers in management education, but their way of looking at organisations was still quite traditional.

### *Phase II: the coming of IIMs (1960–2001)*

The coming of the IIM in 1961 in Calcutta (a decision taken by the government in 1960 after the submission of the Robbins Report on setting up IIMs) and at Ahmedabad in the same year with their contrasting circumstances, styles, and cultures announced the beginning of a new era in industrial management. They also started to produce managers in larger numbers and quickly made their presence felt with greater engagement with industry and government, as well as their commitment to quality teaching. Calcutta attracted stars of management education; Ahmedabad decided to go with younger academics. Calcutta was quantitatively driven; Ahmedabad was process driven. Calcutta chose a lecture-driven pedagogy; Ahmedabad adopted a case method of teaching. Calcutta became close to theory; Ahmedabad was close to practice. It showed careful experimentation by early adopters. Was it a replay of the urbane British-styled Calcutta and its rivalry with the pragmatism of entrepreneurs of western India? One was led by a lawyer and celebrated practising manager, K.T. Chandy (who had been a Director at Lever Brothers and rose to become the Chairman of the Food Corporation of India) and the other was conceived and nurtured by celebrated technocrat and entrepreneur Vikram Sarabhai. Both came with the academic support of two distinctive institutions of Boston – MIT and Harvard, respectively. The Indian Institute of Management Calcutta (IIMC) and Indian Institute of Management Ahmedabad (IIMA) were pioneer institutions. They did two things that innovators do – one, they educated the industry on the role of young managers in their organisations and the need for imparting structured learning of managerial principles to junior, middle, and senior managers of the companies (Anubhai 2011). This led to the tradition of executive education and the building of cadres of managerial talent. And two, they formalised the structure of management education in India (as distinct from 'commerce' education) as:

- understanding the individual and the collective in the context of an organisation and the setting of its goals;
- understanding the environment and the forces that define its constraints;

- understanding the nature of competition facing the industry and its sources; and
- building of skills to address managerial problems – structuring the problems and learning the art and science of problem-solving and decision-making.

These two institutions laid the foundation of managerial education both within the company and outside. IIMA, with its unique case-based pedagogy, captured the imagination of organisations as well as institutions that were to follow them. It made them understand the issues of companies better. Hence, they were able to respond with managerial options. Like the ice-breaker ship, they did much of the heavy lifting and convincing of people in industry, government, and society at large of their value. They also established the structure of the managerial curriculum and provided a framework for functional learning from both a strategic perspective as well as a discipline of execution.

IIM Bangalore (IIMB) came about a decade or so later (in 1972) with a distinctive focus on the public sector; it started to prepare graduates for these government-run enterprises. Its graduates, in addition to learning about general management, focused on health, energy and environment, transport, etc. It was also established indigenously without any external support. Over the years, IIMB gave up its public sector focus as its graduates looked towards private enterprises for employment. New IIMs subsequently came up at Lucknow, Kozhikode, and Indore. Liberalisation of the economy in 1991 changed the demand for managerial education and a large number of institutions in the private sector started to establish management schools and provide the post-graduate diploma in management, the same as the IIMs.

### *Phase III: ISB and the newer IIMs*

By the end of the 1990s, graduates of the two older IIMs (IIMC and IIMA) were leading national organisations both in the public and private sectors. A few had started to head global organisations. Their graduates, fresh out of college (though largely engineers by now), were getting hired by Indian and multinational firms, both for their national and global operations. The placement of these institutions, unfortunately, became the focus of media attention. The institutions had, however, changed – from having a scholarship and learning-oriented ethos to becoming platforms for placement of young people. This created a new kind of hierarchy among undergraduates, with management institutions leading the preferences.

Two events changed managerial education once again in the decade of the 2000s: one was the establishment of the Indian School of Business (ISB) in Hyderabad, with immense corporate support and a one-year graduate programme in management (until then all programmes were two years in duration) and the second was the decision of the central government to blanket the country with more IIMs. By 2013, there were 13 IIMs operating while six more were announced in 2014–15. Suddenly, the nature of the relationship of the IIMs with society at large (and the government, in particular) had changed – the students, faculty, governance, curriculum, placement – were all struggling to adjust not only to the new global economic reality, but also to the new regulatory stance of the government. The old IIMs were starting to consolidate their programmes, especially their research, while the new ones were struggling to get themselves going. After some time there were several IIMs (i.e. the new ones) that were not as reputable as their private counterparts. Society did not know how to benchmark an IIM! Perhaps a new PSU structure with its 'navratnas' was emerging. This period saw an unprecedented growth in private management institutions, many with poor infrastructure – both physical and intellectual. The private institutions were very dependent on people outside academia for teaching. The government institutions were getting more and more structured by the whimsical thinking of agencies



like the AICTE. The ISB, on the other hand, started to seek students with work experience, something that has always been debated at an IIM but never received support internally; it expanded quickly and forced the entrenched IIMs to react with their own strategy. They also centred on research, something that government institutions like IIMs refused to do as self-preservation.

It must be mentioned that the private institutions have been struggling at the hands of the government. For most of the 1990s and early 2000s, it allowed private Postgraduate Diploma in Management (PGDM) programmes to grow; it never cared where they were established – whether they were close to centres of business and industry or far from them, thereby cutting off important sources of learning. The government has never known how to handle the private institutions and their programmes.

#### *Phase IV: post-2015 and new directions*

Globally, management education is being restructured. Programmes are becoming more flexible, more global, have more content from emerging economies, and are aimed at creating enterprises and new jobs rather than seeking jobs. Research in management has become more interdisciplinary and it cuts across boundaries of disciplines outside management. Executive MBA programmes have grown tremendously. But none of the above appear to have taken root in Indian management institutions. Institutions have established incubators to support start-ups, but these remain at the periphery of the institutions and have not been integrated with their core strategy. Indian institutions look alike in their treatment of the curriculum, unlike their global counterparts that have experimented and created niches for themselves (Datar *et al.* 2010).

The government is struggling to restructure the PGDM programmes, but they lack vision and the institutions' deep capabilities. As a result, it might even attempt to control what they teach by affiliating these institutions to neighbouring public universities – a bad way of reforming institutions through those that are already below par. Worse still, it is once again attempting to control the destiny and the activities of IIMs (as it has done periodically in the past) by trying to pass an IIM Bill in Parliament that will circumscribe what IIMs can do. First, it expands the number of IIMs; now, under the disguise of needing to coordinate, the government is trying to standardise the activities in these institutions through a 'coordination council' that will comprise lots of politicians and bureaucrats and will be chaired by the Minister of Human Resource Development. Is it the end of a grand experiment in management education to become responsive to the market? Will the IIM Bill change the degree structure, make it difficult to experiment, impact their curricula, governance, and future direction? At the same time, there are now at least 25–30 management schools that have had more than three decades of experience in delivering programmes and are perhaps ready to experiment with a new direction in management education. It is against this backdrop that we now look at what is happening to learning in management institutions and what may be needed today.

#### **The changing external environment and its requirements**

While the governments were reducing management education to vocational learning and making it trivial through attempts of the AICTE and UGC to control all aspects of its functioning – from teachers to the content – the context of management education changed dramatically. From the commanding heights of public sector development in the 1950s to private entrepreneurship post-liberalisation, from an agriculture- and manufacturing-driven economy to a service-driven one, from government running the firms in various sectors to government

setting up regulators to govern industry behaviour, from large firms to small start-ups, from manual operations to digital production – the context of business became very different. The global business environment was also being revolutionised. With the coming of the WTO and bilateral free-trade agreements, the flow of manufactured products and services across borders grew manifold. The East Asian meltdown of the late 1990s, the dotcom bust of 2000, the financial crisis in the USA in 2008, falling oil prices, the slowdown in China, and the recent problems of Greece, as well as the upcoming exit of the UK from the EU have all led to restrained growth in economies and consequently managerial employment, a restructuring of economic leverage and consequently a slowdown in national wealth, and a search for new business paradigms for survival. At the same time, extreme poverty around the world is more visible today. These factors have all been responsible for changing emphasis in management schools.

Three phenomena have also had significant impacts on the world of business – growth of civil society (through non-governmental organisations) who would monitor the impact of business on society, the mandating of corporate social responsibility (CSR), and the influence of the digital world. The last two have made the former more effective. At the same time, CSR investments and the digital revolution and social media have ensured that civil society is held responsible for its actions. The internet and e-commerce have changed the way goods and services are procured and distributed. These have been accompanied by many innovations and changes in the way businesses operate. New forms of aggregating firms like Uber, Ola, or Airbnb are rapidly changing the structure of the industry, nature of employment, and even the locus of revenues and taxation. In the last two decades many skills have become obsolete and demand for several new ones has grown, especially with the expanding use of technology. Competition from across borders has been intensified, particularly from China, and Indian businesses have become vulnerable in many traditional areas of strength. On the labour market side, as skills started to become obsolete, young people started to change jobs more frequently – sometimes to extract the maximum returns from existing skills and sometimes to move into newer domains of expertise so as to remain current for longer periods. Managerial wages led by the IT industry kept going up and demand for management education, as a consequence, kept increasing – all this while existing skills remained current for shorter and shorter periods of time. This was an opportunity for academic institutions in the form of executive education, full-time as well as part-time. At the same time, new areas of industry and instruction were growing in the form of banking, finance, services, and insurance (BFSI), analytics, and digital – all related to the IT sector. New opportunities for managerial learning were also arising.

This led to three distinct requirements:

- service professions grew and became more formal – requirements to manage them grew as well;
- some sectors of industry started requiring technical manpower with greater managerial skills. For example, the telecom sector required people who could combine telecom technology knowledge with telecom strategy and related knowledge on pricing as well as spectrum allocation expertise;
- new sectors opened up for private and multinational corporation (MNC) participation – some were new to the country like biotech or arts and heritage management, while others were liberalised, i.e. moved from the government to the private sector, like health, energy, infrastructure, primary and secondary education, transport.

All of these created a new demand for managerial knowledge. For instance, organisations like Ranga Shankara that was set up to promote theatre and related commerce started looking for



people who could help them develop strategic models of engagement and run the organisation as a business. Energy companies needed new skills to merge or acquire and grow or raise capital for infrastructure investments. The e-commerce and agglomeration models of Amazon, Flipkart, Ola, Uber, etc. required new ways of valuing and growing firms even when they were making revenue losses. Corporates were seeking new kinds of learning. The big and busy world of management had changed. How did the academic institutions and their offerings fare on these counts? Did the content and focus of learning change with the changing requirements of industry, i.e. what was fundamental to management learning that would withstand time and changes and what had to change with time?

## Management education and institutional progress

Management draws on a variety of areas like humanities, social sciences, physical sciences, and engineering to define itself intellectually. Early academics came from mathematics and statistics (who taught quantitative and analytical skills), sociology and psychology (who studied organisations, labour, markets, and consumer choices), economics (who provided an understanding of the micro and macro environment, including assessing the impact of policy), and industrial engineering (who looked at the process of production and distribution of goods). Commerce graduates provided skills on accounting and finance. At the same time, a motley crew of quantitatively oriented as well as engineering graduates educated the rest in the use of information and technology for competitive advantage. It is interesting to note that the celebrated industrialist N.R. Narayana Murthy, cut his teeth setting up the computer systems and related learning environment at IIM Ahmedabad in the late 1960s and early 1970s. That is how the foundation of the supply side was laid.

Management education as it has evolved over the years grew its own applied disciplines like strategy, organisational behaviour and human resources, finance and accounting, marketing, and operations and technology management, reflecting broadly organisation of knowledge systems to manage functions in an organisation. It is interesting that management education grew graduate programmes first with a keen appreciation that one needed a basic grounding in a classical discipline of learning before seeking a professional degree (in an applied discipline) at the graduate level. The structure of management programmes also followed a similar philosophy – a two-year master's programme comprised teaching of core subjects that covered knowledge essential to understand various functions in an organisation and its strategic stances, followed by a series of electives reflecting choices in the curriculum to cater to varied interests of students in terms of functions of specialisation in their career. That was the MBA or the PGDM (at schools that were neither a university nor affiliated to one nor deemed to be a university). There was no difference in the two degrees – the latter simply provided operational flexibility to programmes and institutions. As the need for teachers grew, institutions created their own doctoral programmes (a PhD at a degree-granting university or a Fellow Programme in Management (FPM) at a non-degree-granting institution). The IIMs started the FPM with an underlying philosophy of producing a 'generalist specialist' rather than training specialists as in other parts of the world. They first trained their doctoral students in the fundamentals of management (the first year of the programme was the same as the postgraduate programme, i.e. PGP students) and then in their respective disciplines. The doctoral programme was distinct from those at the universities – it comprised two years of coursework followed by a comprehensive examination to prove deep knowledge in the discipline and its methods before proceeding to work on a research problem. While the MBAs or PGPs largely admitted fresh graduates, schools were looking for people with experience to join their doctoral programmes. However, weak doctoral programmes

of Indian institutions has been found to be a key determinant of poor research productivity at these institutions (Sahoo *et al.* 2017).

On the one hand, institutions provided training on advances in mainstream business and industry; they also focused on the management of under-managed sectors (like agriculture, energy and environment, health, etc.) quite early in their history. For instance, recognising the importance of agriculture to India, IIMA started the first programme in the country on agriculture management. Similarly, a special programme focusing on management of rural organisations came up in the form of the Institute for Rural Management Anand (IRMA). This made the evolution of management institutions in India different from others around the world and also more interesting. Understanding the role of the state and civil society in shaping business and industry and the concomitant development of society became an integral part of its programmes (it is interesting to note that most programmes globally started to address them quite late in their history – somewhere in the early 2000s).

But this came with immense challenges. Schools grew to meet industry requirements, but it happened largely through standalone institutions, i.e. outside the university system without the benefit of input of many disciplines that form a university. The management departments in universities unfortunately acted no differently – they protected their turf, and the university culture as well as its processes did not allow interdisciplinary teaching and learning, which is what management education is actually about. As the management knowledge system grew in academia, so did the isolation of management disciplines globally, and particularly in India. While this situation has started to thaw elsewhere in the world, instruction in Indian universities remains isolated. This has had another side effect – management at a large number of institutions started to get taught by people who came from the world of practice. Shortage of faculty also played into this situation. This set of instructors had practical knowledge but many did not know how to bring out deep conceptual learning from their own experiences. Management classes at many places were filled with war stories, and rigour was lost in the processes. The students quite often enjoy these practical insights as opposed to what they see as ‘knowledge from books’. Lecturing as a pedagogy did not deliver cutting-edge applications, while case studies did not deliver rigour. It appeared that students were becoming adept at terminology and less at deep understanding of concepts and fundamentals. Management education in India was in utter chaos by the early 1990s. Great demand for graduates led to high variance in the preparation levels of graduates entering the workforce. For a long time this was one programme where the likelihood of getting a job was highest – and a well-paying one, too. Interestingly, growth in industry also led to growth in executive programmes that brought in more money to institutions as well as individual faculty – more than anyone else on a university campus. But education was suffering as the institutions had started to become complacent – less careful about what was being taught in the classroom and less focused on the rigour of the disciplines.

### **The requirements of the domain**

Unlike most disciplines, students who come to do management at the graduate level (which is indeed the majority of students) come from disciplines other than management. As a consequence, the need for a set of foundation courses becomes imperative. The challenge, of course, is to decide what will comprise the foundation, given the changing environment and the diversity of roles that its students pursue (most schools, however, tend to choose functions of an organisation and some skills as their core). The bigger question to be asked is what, if the world of management is so disparate, should be the basis of its foundation – management, after all,

comprises many disciplines. How should it then integrate the various disciplinary strands to create a coherent view of the discipline of management?

Management education is premised on deep understanding of industry sectors as well as those that require managerial intervention, like infrastructure, not-for-profits, government, etc. This requires both, a deep knowledge of the issues of the sector as well as an understanding of theories and research in related disciplines outside management. There are only a few individuals and institutions that have cared to develop such a view on building deep expertise, even though that is the best and quickest way of developing a strong research focus for a management school. Consulting companies fill this vacuum somewhat. Useful as it may be, their work is not a substitute for a rigorous academic analysis of various issues, since their objectives are different and their work aimed at commercial clients rather than building new theories to unravel the workings of an issue or design of systems.

Management courses place special emphasis on analytical thinking (a bit more than reflective thinking), structuring of problems and problem-solving, observing and understanding, and developing a process view of execution and strategy. Of late, analytical methods for risk assessment have become prominent, while understanding of people, especially in groups, has become nuanced due to advances in our understanding of uncertainty and in behavioural neurosciences. At the same time, organising work, handling crises, negotiation, and persuasion have become more tactical and less strategic in their consideration in most curricula, much to the detriment of learning how to build harmonious organisations.

The choice of pedagogy, as noted earlier, also has a deep impact on building the processes of structuring, questioning, and learning, especially in professional educational settings. Three aspects of this choice needs highlighting. One relates to the nature of pedagogy – the common ones have been experiential learning (including a ‘clinic’ view of learning), case-based and Socratic learning, lectures and tutorial-based teaching, learning through field observations, and reflective learning. Different disciplines of management lend themselves to different approaches. Among them, the case-based pedagogy has taken root, though several experiments are underway to create a more meaningful yet rigorous experiential learning system. Those schools that have been established and operated by practitioners tend to bring more of a corporate-training style learning environment to their programmes. These tend to prepare students for the next job rather than providing them with deep education.

Executive education has become an integral part of management education and that segment has experimented greatly with experiential learning. Most of the premier institutions have elaborate executive education programmes for Indian companies, and some conduct programmes for MNCs and companies overseas. India has a lot of demand for management education, especially when it comes to executive education. As a result, foreign institutions also conduct programmes in India. Some, like Harvard, Chicago, and Cornell Universities, have established offices in India that write cases on Indian organisations and conduct programmes for them. This is an area that is waiting to grow exponentially once more institutions develop mature capabilities to develop innovative programmes for practising managers in the public and private domains. The nature of engagement is quite different from traditional MBA-style education.

Management research has all the requirements of any science – physical and social. It needs to understand real issues and phenomena by using robust methods to explain the phenomena, on the one hand, and finding innovative solutions to the problems embedded therein, on the other. For example, why do people behave differently in groups than they would if they were to make decisions individually? What mental heuristics are at play in making decisions regarding personal life versus product purchase versus decisions made on behalf of others, especially those that are less endowed? How do you design policies to price service exposures that provide intrinsic

value? How do you organise production of goods and services that evoke certain technological preferences and buyer attitudes? How do you design contracts that are compliance proof? And so on. In fact, it is a discipline where physical and social sciences come together just as they do in any product or service organisation that management purports to study. Management research requires a wide set of perspectives and skills – practical knowledge via engagement with the domain of study, theoretical understanding of various fields of enquiry, deep methodological abilities, and a deep desire to influence decision making through implementation of one's research. The work of the best researchers in management spans all the above areas. However, we also find researchers who have built expertise in one or few of these areas. For instance, there are some who develop new methods of decision making. There are others who may be designing strategies for organisations, implementing them and measuring their effectiveness. The discipline of management, globally, has evolved into its own disciplinary culture comprising academic and industry conferences, journals and publications, granting systems, etc. The Indian management education community, unfortunately, has not been able to organise itself intellectually and consequently remains restricted to teaching and training using knowledge derived from elsewhere rather than developing its own markers of universal appeal. Indian academic institutions have systematically ignored and often opposed building such scholarly cultures that are premised on curiosity and rigour of their own research and subjecting them to peer review globally.

India, today, is a researcher's paradise as its context is one of a traditional society transiting through rapid changes in technology, urbanisation, and social systems, and aspiring to become an economic leader in the twenty-first century. It faces several serious challenges of social development as well as numerous opportunities linked to a large population of young people. Linking management of undermanaged sectors to technology and cutting-edge scientific developments while creating opportunities for innovation in organisations and new enterprises is the real challenge for Indian management. Can the Indian management educational system lead the change with its ideas and thinking? Will its research matter to India?

The India of tomorrow will have young people whose experiences are going to be very different from their parents' generation. They will have to develop their own tools and methods for understanding issues in this new India. Their success will depend on how they traverse the bridge between the past and the future. Do we have an understanding of what it will take for them to change India and succeed? Large Indian organisations are scaling through jobless growth. Automation and digital technologies in industry and especially in the services sector (e.g. IT) are leading to changes in job content. It appears that the youth of tomorrow will experience many more jobs than ever before, will change their skillsets several times in their working lives, will work for smaller firms and for themselves, and will work increasingly with people of varying backgrounds and abilities. Do we know what will be the impact of these changes on work productivity, family life, working with others, and on concepts of employment and even nationality? Understanding tomorrow's India and the organisations of the future will require intense imagination, dedication, and research. Are Indian institutions up to that challenge? Do we have faculty and institutional systems to attract and prepare scholars who will lead thinking on such changes and translate their impact for the society to understand? At the same time, can Indian institutions generate research that will have local application but global appeal?

Students of management will have to understand more intensely the society in which their organisations operate and where people work. This would mean engaging intellectually, and not anecdotally, with its changing values, with its motivations, and with its aspirations. It would require creating a more diverse learning environment and situating management learning as well as institutions amid other disciplines that could help unravel these mysteries for our organisations and the people of the world. Why would a college of arts and sciences of a university not

become a centre of managerial learning? Do the numerous standalone institutions like the IIMs and XLRI and ISBs stand a chance of contributing to the future of India and the world with their inherent deficiency of not being a part of an interactive university with schools like humanities, social sciences, and the sciences from who management education draws its knowledge and wisdom? The nature of contributions of numerous management programmes in all parts of the country that do not have the wherewithal to even draw from such an ecosystem will remain constrained and limited.

## The unfinished agenda of management education

Management education, today, struggles to find a firm ground of rigour and relevance, despite its spectacular growth and the phenomenal demand. As the challenges before industry change and as society's priorities transform, their requirements of educational institutions will change as well. How will the managerial learning ecosystem cope with these requirements? There remain several challenges before management education can truly find its place as a strong area of scholarship and application in India. These include the following:

- Absence of academic rigour at a large number of management institutions and fast growth in demand. Consequently, institutions have allowed management education to become light and often frivolous (e.g. institutions are providing etiquette training as part of the curriculum) and war stories passed off as education. The rigour has not improved over the years. Whenever a government and its agencies define a curriculum it gets reduced to being a dead package, while education is about life and learning survives because individuals experiment.
- Management education, as practised, has contributed to building stereotypes and in the process it is destroying the precious individuality of employees and consequently creativity in organisations. It has also focused too much on preparing generalists at the cost of building deep expertise. The myth that management is all about strategy and social networks is being shattered. Most organisations paid less attention to execution and processes, which also got reflected in mindsets of graduates coming out of management schools. In fact, the most exciting work (read: innovation) was being done by organisations and individuals who picked up management perspectives and skills and went back to innovate in their prior domains of experience (especially in a technical field). They were building on their deep technical knowledge of their prior areas of work by applying management expertise in those domains as opposed to starting afresh in a newer domain of understanding and complexity.
- Related to this issue is the narrow range of skills that companies pick up from management institutions. Most students have an engineering background. This made the thinking of companies very homogeneous and narrow (i.e. structured around numbers and not people) in terms of backgrounds and prior perspectives. Companies in India, post growth of management institutions, did not consciously bring in people with other backgrounds like economics, history, sociology, design, sciences, etc. into their organisations. Many elite management programmes also started to do the same. It may have led to narrowing of the space for innovative ideas that is driven by diversity of educational and social experiences.
- As programmes grew, so did the need to teach executives with practical knowledge. This added a new flavour to management education and a rich application of their learning and knowledge systems. There were too many people, both academics and executives, who forgot in the process that education was about preparing people for life and not for the next

job. Classrooms have turned into structured sessions for gossiping with war stories. The need is to balance practical exposure with research and new ideas. Good theory always makes for good practice.

- Management education places too much of a premium on analysis and less on action or generation of new ideas. Management educationists have always wondered: what may be analogous to a clinic-based learning approach of medicine and the codified learning environment of cases in law for the world of management education? We believe it simply requires construction of a new learning and practising environment within the context of educational programmes.
- Management education also does not focus adequately on understanding, building, and modifying one's own and their organisation's sources of emotions, trust, integrity, and courage. It is amazing how many students will decry learning of organisational behaviour in classrooms while coming back a decade later to claim that these were the most essential elements of education that they use now in their working lives. It talks either of the poor structuring of organisational behaviour classroom processes and the inputs therein, or the students' own poor socialisation with the world of business before coming into these programmes. The world of exploration of the self is either mechanical or is increasingly becoming spiritual, but much less rational. Recognising that emotions can be part of the rational self is less appreciated. As a result, management education as practised in our institutions has become a collection of ideas, theories, and ways of thinking where the integration and execution is left to the imagination of the student.

An MBA carries a variety of valuable skills that range from assimilation of ideas from several independent disciplines to problem-solving to thinking strategically to execution, with varying levels of expertise. But most important, it is built on the foundation of a core discipline at the undergraduate level. Unfortunately, the bachelor's degree in management (BBA) in India has not been able to build such a foundation on which a robust learning-based career can be built. This programme has become more vocational and less foundational in terms of deep grounding in a discipline:

- The admissions process has become very narrow and does not judge any sort of managerial proclivity. Its intense quantitative nature (due to its focus on number-driven analytics) precludes a large majority of students in the humanities and social sciences and even some sciences from looking towards management education as a possible option. Having said that, there is also an underlying flaw in the undergraduate education of many students as well that assumes that quantitative techniques, science, and technology are for others, and that they can build a career in the twenty-first century without building any appreciation of them.
- Hiring from elite schools by bigger and prestigious organisations is nothing short of a scandal: alumni hiring current students is perpetuating the myth of the tyranny of the connected class. This is also unhealthy in a society that is very diverse in endowments, and leads to loss of skills and value in corporations that are also trustees of public confidence and wealth.
- Management has to engage much more deeply with disciplines in the humanities, social sciences, and the sciences in preparing leaders of tomorrow. For instance, a student who wants to work in the telecom sector should be able to take courses in execution and telecom strategy at the business school, pricing and spectrum allocation from the school of economics, related regulation from the law school, spectrum design and communications



and transmission technology from the engineering school, and social impact of technology from the school of policy. Such a person will then contribute tremendously to any telecom organisation. This does not happen in India today.

Quality of teaching needs to become more sensitive to the long-term impact of education and hence become more rigorous. The same is true of research as well. First, Indian institutions need to develop stronger capabilities and engagement with problems facing the nation in their research. Second, they need to become rigorous in their research methods and subject themselves to peer review globally. Third, more institutions need to engage with research to build a larger pool of researchers in the country and for teaching to remain relevant.

- Most management programmes focus on producing general managers – generalists who move around different kinds of organisations producing different kinds of products and services and performing different tasks. This model is under intense pressure. It also requires very high levels of resources that only a few institutions carry. Many others have failed to develop sector-specific programmes or programmes that cater to regional needs and development. Institutions with limited resources, which is where most of our institutions will lie, would be served well by remaining focused and building deep capabilities in a limited area rather than being diversified as most larger institutions like IIMs are.
- Management education needs to put more emphasis on training of academics, particularly in research methods and in key pedagogies to ensure that the classroom experience is not frivolous, as it has implications for how organisations will perform in times to come.

The decade to come will test, much more than any period in the past, the resolve and capabilities of institutions to generate new knowledge and translate this into useful applications. There is less patience with organisations of all kinds and they will have to experiment dramatically to deliver value to society at large. Technology and global trade regimes, on the one hand, will ensure that global innovations reach all corners of the earth while the multitude of regulatory regimes, on the other hand, will ensure that goods and services crossing borders are impeccable in their construction, safety, and value. New technologies like 3D printing, synthetic and computational biology, and high-speed transport, as well as autonomous, personalised energy systems, consumer insight, and neuropsychology for delivering targeted value are expected to dramatically change the industry structure as well as organisations of tomorrow. The big opportunities will lie at the intersection of design, management, and technology and through entrepreneurial ventures. This would require new experiments and new thinking. Whether Indian management institutions can lead thinking within the nation and the world through their intellectual energy is the real question. The answer will decide their relevance and reach in times to come.

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