

## **Managing the Business of Management Education: What Private Sector Edupreneurs in India Need to Retrospect**

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**Abstract:** *Globalization has created a host of opportunities with a demand for talents to manage these businesses which are huge, dynamic and operate in a constantly dynamic and vibrant global environment. The forces of Globalization have redefined the game of business for all organizations in India, especially it holds true for management education too. Globalization has had both positive and negative effects on our economy. Thus there was a need to gain knowledge to manage these businesses successfully. Management education will have to play a crucial role to enable industry to cope with emerging challenges. Both at the national level and at the global level, the ever-increasing demand for managers is leading to mushrooming of Management Institutes, both in the private sector and Government managed. The entrepreneurs who were quick to grab this opportunity did not have a far sighted vision to pay close attention to providing sustainable quality education of high standards. And the quality of management education provided by these institutes has opened various issues for discussion. The present research is an attempt to identify the various issues and challenges faced by entrepreneurs of private management institutes, employing the technique of focus group interview. The sample consisted of faculty members teaching at private management institutes and a few entrepreneurs themselves. On the basis of the study, findings are presented which will help these entrepreneurs not only to understand where they have gone wrong but also in help them relook into certain aspects and apply corrective measures. This stud will also help the faculty in understanding where they need to focus to promote the quality of management education at these Institutes.*

**Keywords:** *management education, Private Sector Management Institutes, competitive advantage, Edupreneurs viz., Entrepreneurs in Education*

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### **I. Introduction**

Today the need of the hour is to urgently link human resource management inextricably to the business of the organization at the strategic level to meet the challenges triggered by Liberalization, Privatization and Globalization. In the context of post-liberalized India, Human resource management plays a crucial role, and it can be used as an important tool to achieve 'Competitive Advantage'. A competitive advantage can be gained by increasing the productivity of the labor force along with the quality of technology, various systems, goals and services. To gain competitive advantage, businesses have traditionally focused in technological, economic and strategic capabilities (Porter, 1985). However, evidence provided by a growing body of research supports the role of effective management on organization and sub-unit performance (Harvard Business Review, 1987; Shipper, 1991; Day and Lord, 1988; Patterson, et. al. 1998). Indeed, Kotter (1988) argued that one that seems to distinguish excellent companies from the also-rans is the amount of time and energy spent in the planning, designing and carrying out of developmental activities.

#### **Effect of Globalization on Management Education in India:**

The globalization of markets means there is now a global market for university and management education as well. National boundaries are increasingly irrelevant in defining the boundaries of competition. The technological revolution, the internet is significantly changing the boundaries of what is feasible in education access and delivery. Further, competition and customer demand is producing revolution in business education and delivery (Tiwari, 2003).

Management education in today's context has assumed considerable importance in recent times. This is evident from almost a mushroom growth of management courses in the universities as well as several self-financed bodies. There has been a quantum jump in the number of management schools, particularly in the last decade of the 20<sup>th</sup> century (Gupta, 1993). In the new millennium, the number has increased manifolds. In the present times, there is a pressure on business schools to adopt educational programmes to changes in the economic, competitive and social milieu of business to survive. A transformation of management education seems inevitable (Pathak, 1999; Sharma & Roy, 1996).

### **Effect of Privatization & Liberalization on Management Education in India**

The primary problem today is the inability of the university system to provide higher education opportunity to all who aspire. This has indeed provided an opportunity to private sector edupreneurs to cater to the students aspiring for higher education. Unfortunately, Indian Business schools vary widely in terms of the caliber of the faculty, quality of curriculum, infrastructure, and placement record. Apart from the premier list of B Schools in India the academic standards of most of the B Schools are not up to the mark. In fact at the low end of the spectrum we find institutes charge exorbitant fee from gullible students but provide negligible academic value addition.

#### **The Present Study:**

Management education is a highly competitive field in which many changes are occurring (Bronn & Lorange, 1996). In light of the above discussion, it becomes important to get an insight to the business of management education. The views of the faculty members of private sector professional management institutes and edupreneurs were elicited and this helped to identify factors that had an effect on quality of management education offered in these institutes. It is earnestly believed that the findings will have relevance to researchers, practitioners and edupreneurs.

The present study is designed to inquire into the various issues of management education, as perceived by faculty members, in private sector management institutes who currently are in the process of gaining and nurturing Competitive Advantage for their Institutes.

#### **Sample**

The sample consists of 300 full time faculty members teaching in Various Institutes of Management from different parts of the country and 72 chairmen of private management institutes were interviewed in their campuses.

#### **Data Collection:**

The data was collected by 'a dual-moderator focus group interview' (Malhotra, 2001). A focus group is an interview conducted by a trained moderator(s) in a non-structured and natural manner with a small group of respondents. The moderator leads the discussion. The main purpose of focus groups is to gain insights by listening to a group of people from the appropriate target market talk about issues of interest to the researcher. The value of the technique lies in the unexpected findings often obtained from a free-flowing group discussion (for details, one may refer to Malhotra, 2001, Morgan, 1997). 20 focus group interviews among faculty and 6 focus group interviews among chairmen were conducted at different locations of the country.

## **II. Results And Discussion**

The following ideas were generated in the discussions held in the focus groups that were conducted as part of this study. This study analyzed the various issues affecting the quality of management education and listed out suggestions that could possibly help improve the contribution of these management Institutions to the stake holders.

### **1. Faculty Selection and Development.**

Though Management Institutions do need to have faculty members with a strong grounding in the basic disciplines, they also need to have a larger proportion of faculty members with not only great depth in any single discipline, but having greater breadth and inter-disciplinary orientation. In addition, institutions need to recruit practicing managers with sound conceptual abilities in greater numbers as faculty. Faculty members, having no experience of working outside the academia should be given a feel of the practicing world so that they develop a better "understanding of the practitioner's perspective.

### **2. Teaching load should be optimized:**

Talented members of faculty are meant for knowledge creation, dissemination and application as knowledge workers. However, they are often loaded with knowledge dissemination and other administrative/associated duties to the tune of approximately 80% of their time. They are left with little or no time to update their knowledge through research and publications in their field of specialization. This needs to be reviewed and the members of faculty be provided with more time for research and publications.

### **3. Encouragement, Incentives and Rewards for Research Activities:**

Reducing administrative workload will definitely encourage research work. Private Management Institutes should provide incentives and rewards for research work. They should also support faculty financially, to attend international/national seminars/conferences/symbosia/workshops.

#### **4. Support related to Management Consulting:**

The private management institutes could encourage consulting work among the members of faculty for updating and applying practical knowledge, establishing and maintaining contacts with industry. This has implications for Job Satisfaction and will help the faculty member earn some extra income for themselves and the Institute. The absence of the faculty member to engage in research activity could be treated as 'on duty' for a particular period

#### **5. Recognition for Institution Building:**

Support and encouragement to organize Workshops, Seminars or Management Development Programmes should be provided and appropriate recognition should be given.

#### **6. Prospects for Self-Development:**

Avenues for enhancing the various skills and development of faculty members should be provided.

#### **7. Faculty Development Programmes:**

In order to create good teachers for B-schools, the faculty development programmes must be implemented on a large scale. Presently the teachers in the B Schools are prepared on a trial & error basis at the cost of present generation of students who are the real sufferers. Recently, AICTE had informed to management institutes to depute their faculty members to undergo Faculty Development Programmes at the selected centers.

#### **8. Avenues for Promotion based on Performance:**

The feedback of the students alone should not be relied for performance appraisal. Other methods of performance appraisal for e.g., 360 – degree appraisal should be used. More professional system of appraisal is required.

**9. Exit Interview:** Faculty members should be relieved smoothly, without any complications and hassles, when they seek other opportunities for betterment of their career. It is well known that no great purpose will be served by retaining an unhappy employee.

#### **10. Greater collaboration between industry and the institutions with regard to management education and research:**

The current level of collaboration between the institutions of management education and the practicing world is grossly inadequate. A few Executive Development Programmes are conducted or a little consultancy service is provided by the institutes to the industry. In order to achieve greater collaboration between the practicing world and the management institutions, as suggested earlier, faculty members need to spend a few years per week in the practicing world.

#### **11. Develop reading materials relevant to Indian Context:**

It is observed that the ideas & concepts which are effective in the countries of their origin have been less effective in Indian context. So the management practices adopted in Industrialized countries are in perfect harmony with their culture & tradition, where as India has yet to do this exercise through systematic research & study. The materials available are not yet-specific or relevant to Indian context.

#### **12. Need to broaden the specialization:**

There are some businesses which are Context specific to India. e.g. agricultural services, infrastructure management, Contract research, hospital management & NGO are rapidly growing areas in business. These businesses need customized management education. Curricula customization, Specific material development & faculty specialization are some of the neglected factors that led to poor Quality of management education in India.

#### **Limitations of the Study**

The study suffers from the following limitations:

1. The disadvantages of qualitative research and focus groups are applicable to this study ( Greenbaum, 1997).
2. Apart from this, questions may be raised regarding the generalizability of the findings of the study owing to the method of sampling adopted.
3. The inherent limitations of structured interviews.

### **III. Conclusions And Implications For Further Research**

The findings of the study call for further investigation on the topic. It paves way for further research on the issue of the principles of managing people for gaining competitive advantage in private sector management institutes. The findings of the study can serve, as a basis for generating important hypotheses, which may be used for conducting quantitative research. Empirical contribution of the study is that provides empirical evidence with respect to the various principles for managing faculty members, as perceived by the faculty members teaching in professional institutes managed by the private sector. Use of a qualitative method, primarily used in the field of Marketing Research, to study a research question of relevance to HRM, is the methodological contribution of this research endeavor. Applied contribution is envisaged as follows: The findings of the study may aid senior people in private sector management institutes and private sector edupreneurs, to get insight into the expectations regarding the various principles for managing people, especially the young faculty members, who may work with them. It will help them design strategies and incentive schemes which may have implications for higher productivity and gaining competitive advantage. Future studies may also address the same research questions by conducting a study involving a larger sample, drawn from various institutes and universities imparting professional education.

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