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MANAGEMENT EDUCATION IN INDIA: SIGNIFICANCE, CHALLENGES AND FUTURE PROSPECTS

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Abstract

The primary objective of this study is to observe the significance and challenges of management education in India. An attempt has also been made to examine growth and recent trends in the area of higher education in India. The study concludes that the management education in India is a key contributor to the business and economic development of a country. It not only improves the managerial and leadership skills of the students but also trains them to become successful entrepreneurs. In the changing business scenario, there is a need of more quality management education with diverse personality, knowledge and skills for rapid growth of a country.

Keywords: Management education, higher education, economic development

Introduction

The demand for and importance of management education is continuously increasing in developing countries like India. The management education empowered students with knowledge, skills, efficiency and innovation, which resulted overall growth in the economy. In today's business environment, it plays an important role in the development of a country. It adds value to the existing qualification of a person. It also offers various necessary tools and techniques for handling various business and management activities. Management education not only enhances the leadership skills and managerial skills, but also provides an opportunity to network with others.

Management education contributes directly to the society by facilitating economic development and service. The increasing trend of globalization, liberalization, privatization and technological progress have made difficult for organizations to survive in the competitive world. As a result, the importance of management education has been increased in every sector of the economy. It helps in equipping the executives with competencies and capabilities to take on the corporate challenges with confidence. Management education provides leadership and vision that continue to elevate individuals, organizations and societies (Chordiya and Ahirrao, 2016).

Global competition is changing the relationship between management education and business. Management education has become a major profession that attracts considerable attention across the world (Pandey, 2004). Now those days have gone when inherent abilities, domain knowledge and experience were enough to run the business and earn profits. Business was confined to certain castes and skills and knowledge, which passed on hereditarily. But today, the world is becoming more complicated and it needs management education in all sectors for effective management. Due to industrialization, globalization and privatization the size and complexity of business is demanding more skilled professional people. So, management education is becoming more important for entrepreneurs to establish new businesses.

The management education improves the skills, abilities, innovation and analytical thinking which are helpful to overcome the various emerging issues in business. It is an exciting field where one can have an immediate impact on the operations of any business. It is the process of planning, organizing, directing and controlling the activities of an institution by utilizing human and material resources (Jaladi and Chellayya, 2015). Majority of management institutions do not providing quality education in India. They have less global visibility. Many of Indian institutions fail to attract students as well as faculty from other countries. Many of them treated students as a customer and behave them accordingly. As a result of it they do not provide quality education and knowledge. Hence, there is an urgent need to create learning environment with quality education.

Literature Review

Review of literature is helpful to find out the gap in present and past theories. There are enormous literatures available on management education and its relevance. Some of the important and relevant studies have been reviewed herewith to achieve the specific goal of the present study. Shetty, N. S. (2006), conducted a study on 'management education in India: challenges of globalization'. According to this study, management education is facing crisis not only in India but also at globally. Study concludes that there is a need for close association between management academia and industry in the changing scenario. Similarly ethics and value also played an important role in the emerging management education. Subramanian (2007) has conducted a study on 'mushroom growth of management programme and its impact on quality of management in Tamil Nadu'. He has studied various aspects such as growth trends, intake status, infrastructure, accreditation, faculty status etc. Study concludes that management education has become an industry, either to produce graduates or to make money. Many education institutions have neither adequate infrastructure nor faculty. Many institutes do not bother about future of the students they have only one objective i.e., to maximize admissions and profits. Kannan (2007) in his study 'business schools in India, paradoxes, challenges and opportunities' observed that

with increasing economic growth and growing levels of salaries in corporate sector the demand for management education is extremely high in India. According Misra (2008), the advent of privatization and globalization has made the management education more complex. Indian management institutions are facing various challenges from their counterpart abroad in their development. Khurana (2009) has conduced a study on the 'mushroom growth of management educational institutions and its impact on quality in Haryana'. The present study covered 35 management institutions and found few business schools were providing the placement and training to their students. The teaching workload for teachers was more in private institutes as compared to government institutes. Singh and Sharma (2010) have conducted a study on 'management education in Punjab'. The main objectives were to know the admission criteria and training and placement activities, extra curricular activities, faculty adequacy, managerial aptitude among the students etc. The study was based on 250 respondents from both private and government universities. Study concludes that there was an urgent need to update and redesign the present curriculum. Study also suggests that there is an urgent need for improvement of infrastructure and faculty training programmes.

Raju, pavithra and Sowmya (2015) have conducted a study on 'management education a current scenario'. According to them management institutions have mashroomed in India but quality remain elusive. This study concludes that management education in India must be redefined and restructured as per changing requirement of the business environment. Management education should not only meet the need of the students but also match the expectations of the corporate world. Jaladi and Chellayya, (2015) in their study 'role of management education in India, concludes that education is an important factor in determining the entrepreneurial activities. India's management education is undergoing a major transition phase. Its future is quite good because it truly prepare the students for the emerging business world. Chordiya and Ahirrao (2016), Conducted a study on 'need, importance and challenges of management education in India'. This study concludes that majority of management education in India is not focusing on the quality education. Management education adds value to the existing qualifications. It creates managerial and leadership skills. Kumari and Sharma (2017) conducted a study on the 'role of higher education in economic development'. The main objective was to discuss the growth of Indian economy and its relation with higher education. Study concludes that in the modern world education is becoming very important source for economic and social development of countries. Education enriches people's understanding about the society and world. No country can achieve sustainable development without investing in higher education. Ghadoliya M. K., (2019) in his study 'issues and challenges in higher education with special reference to the management education in India'. This study concludes that there is a scarcity of quality teacher in the country.

University departments must perform multiple roles such as; ensuring quality without compromising quantity, providing new skills for earning etc. there is an urgent need of transforming the classrooms into digital classrooms for providing industrial skills.

From the literature it may be concluded that today there are requirement of good and active managers for the development of country. Although India has a huge number of management institutes, they do not provide adequate instruction. Majority of the management institutions do not focus on the quality management education. There is an immediate requirement to shape the management education in India as per global changes.

Methodology

The present study examines the relevance, future prospects and current challenges of management education in India. Management education and its related data have been collected from the various books, Journals, online database and other web resources. To compare the growth and number regarding management education in India percentages change has been calculated by using following formula:

(New Value - Initial Value) / (Initial Value)×100

Evolution of Management Education

Management has been the part of our civilization. The Vedas such as Brahmanas and Dharamsutras have includes the details of management, wisdom and skills. Even, Srimat Bhagwat Gita teaches to the society about the wisdom and how to avoid conflict among the humanity. The epic of ancient India Ramayana and Mahabharata, Shrutis, Puranas etc. teaches about the importance of management in human life.

Management education an academic discipline, originated in the United States. The first graduate school of business in the United States was the Tuck School of Business, part of Dartmouth College Founded in 1900. In 1908, the Graduate School of Business Administration (GSBA) at Harvard University was established to offer the world's first MBA program. In 1950, the first MBA started by the University of Western Ontario in Canada followed by the University of Pretoria in South Africa in 1951. The Wharton School of the University of Pennsylvania established the Institute of Business Administration, Karachi in Pakistan in 1955 as the first Asian business school.

Management education has a long history in India. First time in 1957 Andhra University has introduced the full-time postgraduate progamme in management. Till independence, the management education was not a part of education system in India. Sydenham College in Bombay was the first college to set up in 1913 to impart basic business knowledge at graduation level. Shri Ram College of Commerce was set up later in Delhi in 1920. Immediately after independence in

1947, most of the newly established universities and colleges included commerce as graduation and post-graduation courses. Management education in India formally began in 1953 at the Indian Institute of Social Welfare and Business Management (IISWBM) –the first B-School established by Government of West Bengal and Kolkata University. However, a few institutions like Tata Institute of Social Sciences (1936) and Xavier Labour Research Institute (1949) had already started training programmes for managers in personnel function well before the formal launch of first MBA programme at IISWBM.

The first IIM was set up in Kolkata in 1961 and second in Ahmadabad in 1962. In 1970s, four more IIMs were added in Bangalore, Lucknow, Kozhikode and Indore. The main objective of the IIMs was to professionalize Indian management through teaching, research and training. In 1970s and 1980s the major universities of India have started management education as separate departments. Government of India liberalized the management education in 1990's, which has resulted a rapid growth of business schools. The present management structure is as under (Saha G. Goutam, 2012):

- Indian Institute of Management (IIMs) set up by government of India
- Colleges and institutes affiliated to the universities
- Government or private institutes approved by AICTE.
- Universities Department of management studies, distance and correspondences courses.
- Private institutions offering management education in India in collaboration with foreign universities.

Growth of Management Education in India

The main objective of education is to learning, to know more and to do new things in our life. But today in management education, students are regarded as a customer. With this fast changing scenario of business environment, the management education is the need of hour. Management education in India has been started after independence. Table -1 depicts the growth of management education in India since Independence. It may be seen from table that in 1958 only 9 management institutes were providing management education in India. During 2018 the number these institutes has been touched 5500. The maximum growth of these institutes was observed during the decades of 1988-98 (683. 91 percent) and 2008-2018 (261.13 percent).

Table -1
Growth of Management Education in India since independence

Year	Number of Management Institutes	Percentage Change
1958	9	-
1968	14	55.56
1978	58	314.29
1988	87	50.00
1998	682	683.91
2008	1523	123.31
2018	5500	261.33

Source: *Government of India, Ministry of Human Resource Development of Higher Education New Delhi.*

Distribution of Number of Management Institutions in India

According to all India survey on higher education (2018-19), Ministry of Human Resource Development of Higher Education, Uttar Pradesh, Maharashtra, Karnataka, Rajasthan, Haryana, Tamil Nadu, Gujrat and Madhya Pradesh were at the top eight States in terms of higher education in India. According to this survey at the post graduate level maximum number of students are from M.A. stream followed by M.Sc. and MBA. Out of total colleges 60.53 percent were located in rural area, 11.04 percent were exclusively for woman only 2.5 colleges are running Ph.D. programme and 34.9 percent were running postgraduate level programme. Further this survey states that in India level the gross enrolment ratio in higher education is 26.3 percent, which was calculated for 18-23 years of age group. This ratio was 26.3 percent for male population and for female it was 26.4 percent (Government of India, 2019). Table -2 shows the distribution of number of management institutions in the top 20 states of India. It can be seen from the table that Andhra Pradesh has maximum number of management institutions i.e. 366 (22.35 percent) followed by Karnataka 2844 (17.60 percent) and Gujarat 1557 (9.64 percent) institutes of management education. Jammu and Kashmir has lowest number i.e., 118 (0.73 percent) followed by Delhi with 139 (0.86 percent) institutes of management education.

Table -2
Distribution of Number of Management Institutions in India

Sr. No.	State	Private	Government	Total	Percentage
1.	Andhra Pradesh	3177	434	3611	22.35
2.	Karnataka	2270	574	2844	17.60
3.	Gujarat	995	562	1557	9.64
4.	Maharashtra	1095	429	1524	9.43
5.	Tamil Nadu	970	60	1030	6.37
6.	Uttar Pradesh	690	223	913	5.65
7.	Rajasthan	541	172	713	4.41
8.	Kerala	431	125	556	3.44
9.	Bihar	65	459	524	3.24
10.	Chhattisgarh	208	200	408	2.52
11.	Madhya Pradesh	265	131	396	2.45
12.	Odisha	250	140	390	2.41
13.	West Bengal	220	148	368	2.28
14.	Haryana	205	61	266	1.65
15.	Himachal Pradesh	124	110	234	1.45
16.	Punjab	185	47	232	1.44
17.	Assam	30	142	172	1.06
18.	Uttrakhand	83	82	165	1.02
19.	Delhi	70	69	139	0.86
20.	Jammu and Kashmir	48	70	118	0.73
	Total	**11922**	**4238**	**16160**	**100**

Source: AICTE Hand Book, 2018-19

Challenges of Management Education in Current Scenario

Management education system has become more challenging in the current scenario. The expectations from management student are increasing due to changing socio-economic pattern of the society and the economy. The main challenge in management education has been caused by globalization of economies, rise of market economy and rapidly changing technology. Indian management education is facing various issues such as; infrastructure development, quality faculty and less of foreign collaboration. Our system does not encourage bright students to do their PhD and become teachers in management institutions. Due to lesser pay packages as compared to industry, the bright management students are generally not motivated to enter teaching profession. The offers from industry are much more attractive as compared to management institutions.

The demands on the skills of Indian managers are continuously changing. Several companies have raised the entry-level qualification itself to post-graduation with specialization in management. This is being done to ensure availability of candidates with better skills and knowledge. Management, education can provide particular skills such as; good communication, efficiency, ability to work in teams, leadership quality and exposure to current trends in business. Excellence and competences in any economic system depends upon the excellent managers of that country. But, India continues to lag in its ranking on competitiveness. To become a global economic power, we have to give more attention to management.

Growth of Higher Education Institutions and Economic Development

The economic and social transformation of a country depends on knowledge. Knowledge has been recognized as the key driving force in the 21st century. Only knowledge can provide the foundations of a comprehensive society (Bhatia and Kumar, 2010). According to Nelson Mandela "education is the most powerful weapon which you can use to change the world". In the words of Georg Hegel "education is the art of making man ethical". Our ancient education system in India focused on moral, cultural and spiritual values to the students. It gave more importance to the human values than wealth. Human capital has a very crucial role in socio-economic development of a nation. So, there is a need of investment in education sector. The higher education has made a significant contribution to economic development, social progress and political democracy in independent India (Bhatia and Kumar, 2010). The opportunities for higher education, in terms of the number of universities and colleges are not enough in relation to our needs. There only were 500 colleges and 20 universities in India at the time of independence. It can be seen from the following table-3, that during 2019 the total number of universities in India were 962 which includes 371 state private universities, 304 deemed universities, 114 central universities and 46

private universities (University Grant Commission, 2019). Table -3 shows the growth of major universities in India since 2010 to till date.

Table -3
Growth of major Universities in India 2010-2019

Sr. No.	Universities in India	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	State Public Universities	281	286	292	309	316	329	345	351	371
2	State Private Universities	87	105	122	153	181	197	233	262	304
3	Deemed Private Universities	40	38	36	36	32	32	33	33	34
4	Deemed Govt. Universities	91	79	80	80	79	79	79	80	80
5	Institutes of National Importance	59	59	62	68	75	75	100	101	127
6	Central University	41	42	42	42	43	43	44	45	46
	Total Number	**599**	**609**	**634**	**688**	**726**	**755**	**834**	**872**	**962**

Source: All India Survey on Higher Education (2015 to 2019), Ministry of Human Resource Development of Higher Education New Delhi.

The higher education in India contributes to the economic development by imparting specialize knowledge and skills. The regulatory framework governing higher education in our country is under the central and state government both. Central government plays more important role through Human Recourse Development (MHRD). Table-4 shows the number of universities and colleges in India during the last Decades.

Table-4
Growth of Universities and Colleges in India from 2010-2019

Year	Number of Universities	Number of Colleges	Total
2010-11	599	32934	33533
2011-12	609	34852	35461
2012-13	634	35525	36159
2013-14	688	36634	37322
2014-15	726	38498	39224
2015-16	755	39071	39826
2016-17	834	40026	40860
2017-18	872	39950	40822
2018-19	962	39931	40893

Source: Government of India, All India Survey on Higher Education, Ministry of Human Resource Development of Higher Education New Delhi.

Government Initiatives to Improve the Higher Education in India

Government of India has introduced several reforms in the education sector to improve the quality and access to higher education. Many programmes (Government of India, 2018) have initiated such as; SWAYAM MOOCS portal (study webs of active learning for young aspiring minds), which provides high quality education anywhere, any time by any one at no cost, has been made operational. To reach the backward areas 32 DTH channels have been made functional, under SWAYAM Prabha programme. National Digital Library, a virtual repository of learning search facility has been initiated by the government to supports all academic levels. For plugging technology gaps in the rural areas Unnat Bharat Abhiyan has been introduced. This programme

will enrich the rural sector and fulfill the local needs. To overcome the shortage of qualified teachers, the Pandit Madan Mohan Malaviya National Mission on Teachers and Teaching plan was launched.

To promote the mutual understanding between states and UTs in India Ek Bharat Shreshta Bharat programme has been initiated by prime minister of India. To interact with global academic and industry experts, GIAN (Global Initiative of Academic Networks) has launched by the government on November 2015. Government has also introduced 20 institutions of higher learning -10 from each public and private sector as "Institutes of Eminence" (IoE). These are among the global best institutions and will be given Rs.100 crore for their development. 'IMPIRT India' is a programme to direct research in the best institutions into the area of social relevance. To promote the industry specific need – based research and competiveness of Indian industry in the global market the government has launched Uchchtar Avishkar Yojana (UAY). Prime Minister Research Fellows (PMRF) scheme is launched to support 1000 bright undergraduate students every year, for direct admission in the research programmes in the reputed institutions like IISc, IITs.

Higher Education Financing Agency (HEFA) has approved by the government to give a big push to the higher educational institutions in India. The HEFA will provide finance to the academic and research infrastructure projects up to 10 years. To provide more assistance for infrastructure to the universities and colleges, Rashtriya Uchchater Siksha Abhiyan (RUSA) has introduced. Under this scheme institutes can also received assistance for up gradation of autonomous colleges, Vocationalisation of higher education and creation of model degree colleges etc. (Government of India, 2018).

Conclusion and Suggestions

In the era of globalization, liberalization and privatization management education is not only playing an important role in the economic development of a country but it also develops human capital for a country. It provides good communication skills, leadership quality, ability to work in a team and exposure to a student. The demand for managers is expected to continue in the coming years. Thus, there is an urgent need to shape the management education according to the changing requirement of competitive world. For the improvement of management education, honest policy, rapid development and continues effort are required in our country. There is also an urgent requirement of value based management education system in India. Faculty member should involve in contemporary research to develop quality management education. In place of quantity government must develop quality education institutions in our country. The main objective of education should be teaching knowledge, developing skills and educate human value and ethics. India is developing as an economic power, which will be mainly driven by industry and service

sectors. Hence the importance of management education will be more in such changing business environment of our country.

There is a need for globalization of management education for a better global exposure and the requirement of industry under globalization. It should be student centric rather than faculty centric. We must involve industry collaboration to improve the practical skills and exposure of the students. Management students should engaged in seminars, guest lectures by the industry expert who will provide current practical knowledge about corporate world. Management institutions must try to collaborate with foreign universities to understand the international structure of management education and research. The faculty commitment towards teaching excellence and research is the need of hour. There is also an urgent need to broaden the specialization and to create global mindset among students. Management schools should try to develop experiential courses in creativity and managerial innovation. More emphasis should be given to the development of relevant teaching materials and research.

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