Manish Thakur · R. Rajesh Babu *Editors*

Management Education in India

Perspectives and Practices

Springer

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To Teesta

—Manish Thakur

To Aradhana

—R. Rajesh Babu

Foreword

On the face of it, business schools have never had it so good. The Indian Institutes of Management (IIMs) in India, for example, can pick and choose their students from among a quarter of a million aspirants, and they can place their graduating class of several hundred students in a few days; the starting salaries offered to their top graduates are what successful executives in many industries reach after two decades or more of grinding hard work. Then, what merits this book of introspection from faculty members of one of the leading business schools in India and in the world, the Indian Institute of Management Calcutta?

A bit of history may help us see in perspective some of the questions that the authors raise. The IIMs were started in the 1960s as the driving force, together with public sector enterprises such as Hindustan Machine Tools and Bharat Heavy Electricals, to take Indian industry and India from family-owned or colonial companies into the modern era. They were supposed to do this by following the principles of management first enunciated by Alfred P. Sloan, who for 20 years starting from the mid-1930s ran General Motors and took it to being the largest private sector business in the world. For Sloan, the "professional" manager was a person who was supremely rational, would operate only with "facts," not intuition or gut feel and would see his main role as that of supervising the creation and review of annual operating budgets and things like that. Delegation of authority was the creed, and centralized decision-making was seen as a remnant of feudal times. Bureaucratic types of organization were seen as technically superior to all other forms of administration just as machine-based manufacturing was seen as superior to handicraft methods. IIM curricula were stuffed with courses that reflected this philosophy. And its students would go out and "modernize" India.

What changed the game for business schools was the sudden deregulation of the financial services industry in the mid-1980s. In England, this was the result of a disappointment with Keynesian state-investment-led attempts to drive growth of the economy. There was a wholesale sudden deregulation of the London financial markets in 1986 by Margaret Thatcher, described by the phrase "Big Bang," which included a change in the London Stock Exchange from open outcry to electronic, screen-based trading. The USA, under Ronald Reagan, followed with a number of legislative measures that allowed deposit-taking banks to enter riskier activities like investment banking, followed by the explosion in private equity in the same period when pension plan and endowment funds were allowed to invest a small part of their trillion dollar holdings into private equity and leveraged buyout funds. The explosion in demand for analysts from investment banks and management consulting companies that these events created changed the face of business schools worldwide, including the IIMs. The best-paying jobs were from then on in the financial services and management consulting industries. The demand from these two industries for management school graduates galloped for the next two decades only to pause for breath with the Wall Street Crisis of 2008.

Since then, there has been a flurry of soul-searching articles by respected practitioners and business school professors. For example, a study done by the prestigious U.S. management consulting firm, Monitor, found that "people hired from high-end business schools were no better at integrative thinking than undergraduates hired from the top-notch liberal arts programmes." Jeffrey Pfeffer of the Stanford Business School wrote that much of what business schools teach—analytical tools like statistics and basic disciplines like economics and sociology—are readily learned and imitated by any intelligent person and that what business schools need to teach are things such as communication ability, interpersonal skills, leadership and, most importantly, "wisdom": the ability to weave together and make use of different kinds of knowledge. Others such as Warren Bennis and James O'Toole (their article in the *Harvard Business Review*, "How Business Schools Lost their Way," is much quoted in this debate) say that there is actually a crisis in management education and trace this to business schools attempting to adopt a "scientific model." The latter model treats management education as if it were something like physics or chemistry or biology, whereas it is, in their view, more a "profession" like medicine or law.

The present book is best viewed as another contribution to this process of soul searching that the business school community is going through. The contributors to this book raise some fundamental questions:

- Are "managers" merely cogs in a vast bureaucratic enterprise, merely that class of people whose role is to "manage" the resources of an organization on behalf of its shareholders?
- The Indian business school origin story was the post-war admiration of all things American and consequently the vast majority of cases and textbooks used in business schools, even at the IIMs, are American. Is it time to correct this imbalance?
- While most classical disciplines, even macroeconomics, assume that societal welfare maximization is the ultimate goal, the teaching of "management" disciplines seems to assume the primacy of shareholder value maximization. Does this perspective need to evolve by bringing in issues like sustainability?
- In management schools today, there is a preference for models that are derived rigorously from the premise of utility maximization. In doing this, they seek

answers rather than questions and want to learn about opportunities rather than constraints. Do we need to borrow from disciplines such as sociology and teach our students to question rationality and to look for the unexpected leads and to believe that causation is complex?

- While individual scholarship in individual disciplines, for example the teaching of business history, is flourishing within business schools in India, should we seek to develop professional associations, such as a business history association that will provide an institutional support for each discipline?
- While a wide variety of disciplines flourish within Indian business schools, the teaching of law is pursued only in a handful of institutions. Are we creating a large set of students unaware or unappreciative of the practicalities of engaging with law or who are yet to move beyond the "constraining" aspect of law and consequently teach them to view law as an "enabler" to business?
- How do we change the general view of communication skills as taught in business schools from that of teaching our students to speak the Queen's English to what it truly is: the teaching of a framework for persuasion and argumentation?
- The quantitative skills of our students are well appreciated in industry: the CAT examination imposes high standards on quantitative thinking and the vast majority of students have engineering backgrounds. Yet, industry, except perhaps quantitative analysts in the financial services sector, apparently does not see the relevance of the advanced techniques we equip our students with. Is the answer to create research centres which will develop case studies that demonstrate the practical applications of such techniques?
- Finally, the eternal quandary of all education: Do you merely give students the skills and attitudes to fit into today's immediate world or do you equip them with the skills and critical thinking that will allow them to change today's world for the welfare of society in general?

Ajit Balakrishnan
Chairman and Chief Executive Officer of Rediff.com India Ltd.,
Chairman, Board of Governors, Indian Institute of Management
Calcutta

Preface

This book has been in the making for a long time. In fact, the idea for the book emerged during our participation in a two-day convention on “Management Education in India” held on November 14–15, 2010, at the Indian Institute of Management Calcutta (IIMC) to mark the inauguration of its year-long Golden Jubilee celebrations. Both of us were relatively new to the IIM system, having been around only for 2–3 years as newly recruited faculty members at the institution. Both of us had come from the mainstream university system. Also, both of us belonged to historically well-established academic disciplines (law and sociology) with undefined relevance for management curriculum. Yet, we were overwhelmed by the encouraging collegiality that we found in the working of the institute. For us, it was quite refreshing to be part of a less hierarchical and largely egalitarian community of peers. We were eager to know almost everything that our institute did or intended to do. We would zealously participate in all the meetings held at the institute—big and small, formal and informal, fresher’s welcome and farewell parties, research seminars and teatime gossip, big conferences and thinly attended lectures. In a way, we wanted to make sense of our vocation, our institutional location, our academic and professional engagements and the ways in which we could realize institutional expectations as well as our individual aspirations.

The convention exposed us to diverse range of views concerning management education. These views came from different stakeholders from the worlds of academia, business and industries, and the government. And the views often did not converge and at times, discordant voices added to our existing confusion. For example, we did not know how to react to Deepak Nayyar’s (a former professor of IIM Calcutta) plea for aligning management education with the need for continual scholarly scrutiny of contemporary capitalism as it evolves over time and space. Or for that matter, Barun De’s (the eminent historian and a former professor of business environment at IIM Calcutta) idea of a management institute being the site for collective resistance to the hegemony of the American business school curriculum. Or Ishwar Dayal’s (a former professor of IIM Ahmedabad) unrepentant advocacy for distinctive paths for individual institutes in synch with its context and milieu.

Questions of similar nature made us realize the multidimensional nature of management education and its contested claims. We thought it would be prudent to engage with these issues in a much more collaborative fashion. That is when the ideal of the book took shape. When we shared our idea with colleagues at the institute, we found them quite encouraging. To our pleasant surprise, we found in them more than mere contributors to the volume. They were intellectually involved in the project as a whole. They deserve our gratitude for making it happen.

Ajit Balakrishnan, Chairperson, Board of Governors of IIM Calcutta, graciously accepted our request to write a foreword to this volume. We are grateful to him for his support. We thank Saibal Chattopadhyay, Director, IIM Calcutta, for his constant encouragement.

Anindya Sen, Biju Paul Abraham and Rajesh Bhattacharya were generous with their time in reviewing of some of the chapters. We owe very much to our colleagues and students at IIM Calcutta for keeping us intellectually engaged with some of the questions that we have attempted to address in this volume.

Shinjini Chatterjee and Shruti Raj at Springer were pleasure to work with and we very much appreciate their patience and meticulousness. We thank the two anonymous reviewers for their valuable comments and feedback.

Kolkata, India

Manish Thakur
R. Rajesh Babu

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Partha Ray came from the industry to join as a professor of economics in IIM Calcutta in December 2011. During 2007–2011, he worked as an Advisor to the Executive Director (India) at the International Monetary Fund, Washington DC. Earlier (during 1989–2006), he was with the Department of Economic and Policy Research of the Reserve Bank of India, Mumbai, where since 2000 he was a Director of the Economic Research Department. His recent publications include the following: *Monetary Policy* (Oxford University Press, 2013) and *Financial and Fiscal Policies* (jointly with Y.V. Reddy and Narayan Valluri, Oxford University

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Abbreviations

AACSB	Association to Advance Collegiate Schools of Business
AICTE	All India Council of Technical Education
AMBA	The Association of MBAs
CAT	Common Admission Test
CSR	Corporate social responsibility
EQUIS	European Quality Improvement System
IIM	Indian Institutes of Management
IIT	Indian Institutes of Technology
MBA	Master of Business Administration
MHRD	Ministry of Human Resource Development
NIRF	National Institutional Ranking Framework
NKC	National Knowledge Commission
PGDM	Postgraduate Diploma in Management
UGC	University Grants Commission

The State of Management Education in India: Trajectories and Pathways

R. Rajesh Babu and Manish Thakur

Abstract Management education in India, especially the one offered at the IIMs, is the most sought-after professional choice among the youth pursuing higher education and attracts some of the best and the brightest students. Despite the popularity and centrality of the management education in the higher education landscape, a serious assessment of the field of management education in India has been rather few and far between. While there had been sporadic reflections and occasional critiques, a critical stocktaking of the institutional and disciplinary aspects of management education has been long wanting. This introductory essay gestures towards an interrelated array of factors that have a bearing on the overall purpose, and future direction, of management education in India. Besides presenting synoptic overview of the essays collected in the volume, it particularly underlines the global geopolitics of the theory and praxis of management and underlines the need to incorporate the perspectives of the Global South to move beyond the prevailing Western ethnocentrism.

Keywords Management education in India · IIMs · Relevance · National · Global

A Prolegomenon

Over the past few decades, management education has turned out to be the most sought-after professional choice among the youth pursuing higher education in India. It is generally claimed that management education, especially the one offered at the Indian Institutes of Management (IIMs), attracts some of the best and the brightest of the students that the country has. This claim is based on the fact that large numbers of

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the students joining the IIMs are engineering graduates from the prestigious Indian Institutes of Technology (IITs), National Institutes of Technology (NITs) and other reputed engineering colleges. Since the admission to IITs, NITs and other such colleges is held to be the outcome of a rigorous selection process, the students coming out from there are taken to be the brightest and the best of their age-cohort. Further, the common admissions test (CAT) for admissions to the IIMs brings in another layer of rigorous scrutiny of the ones who are, in a way, already preselected by the entrance tests to the IITs and similar other colleges. One need to place these facts in the context where the prevailing hierarchy of disciplines and career choices predispose the brighter students after their 10 +2 degree (either on their own or mostly out of parental persuasions) to opt for engineering/science or medicine as against law, liberal arts, humanities and social sciences. In this perceived pecking order of disciplines, it is assumed that those already parts of the engineering stream are academically better off than their peers in other streams. Not surprisingly, the students pursuing management education in the IIMs are seen as crème-de la-crème as they have already demonstrated their generally agreed-upon superior academic capabilities on at least two counts: first, by getting through the admissions to engineering colleges and, second, by qualifying the CAT.

Added to this is the annual media hype about the placements of IIM graduates in consultancy and finance firms of international repute. Their hefty pay packages reinforce the exclusivity of the tribe called IIM graduates in India who end up bagging the most coveted jobs within the country and outside. A management degree from an IIM opens up access to the world of respectable professions in the same way as the study of Mandarin once did in China or the study of classics did in the UK. The aura and the general prestige attached to an IIM degree have palpable spillover effect in the society at large. As a consequence, for quite some time now, management education has acquired an unprecedented centrality amidst the institutional landscape of higher education in the country and beyond. The increasing number of business schools and management institutes offering a plethora of programmes is a testimony to the enormous demand that management education spawns. A management degree is so well ingrained in the popular imagination that young women and men, cutting across class and disciplinary backgrounds, aspire to have one. Ever-growing number of engineering graduates from premier institutes has come to look at management degree as a sure pathway to their upward career and social mobility. In a large measure, management education has come to be seen as the assured way to professional success and the ultimate guarantee of the realization of parental aspirations and societal expectations. There is evident discursive hegemony of management education among the youth of the country that explains the mushrooming of management institutes and business schools of varying quality in every nook and cranny of urban India. Everyone wishes to ride the management bandwagon and be armed with a management diploma/degree to brighten up his/her career prospects. If most of them cannot get through the rigorous admissions test of good colleges, they end up being on the rolls of substandard colleges by paying huge capitation fees. Every year new colleges get added to the existing repertoire of colleges to cater to the unmet demands of those seeking management education come what may.

Notwithstanding the increasing popularity of management education and the attendant institutional expansion, a serious stocktaking of the field has been rather few and far between. One senses a certain taken-for-grantedness about the value of management education and the purpose of business schools. Indeed, there have been sporadic reflections and occasional critiques of the management education. More often than not, these critiques have been as responses to some cataclysmic global events of one or the other kind for which the structure and the contents of the management education were held to be responsible. For example, the global financial crisis of 2008–2009 was one such trigger which led to a lot of soul-searching on the part of management educators and business schools. Earlier, the Enron disaster had similarly led to some kind of public outcry concerning the very structure of the MBA degree. Such occurrences have led critics to subject the MBA programme to increasing scrutiny for what Leavitt describes as "its weird, almost unimaginable design." Its effects on students' abilities to think and feel have also been criticized for creating only narrowly focused graduates, "critters with lopsided brains, icy hearts, and shrunken souls" (Leavitt 1989: 39). In the wake of the global financial crisis, such criticisms became crescendo for what was seen as the management educators' lack of sensitivity towards the social and ethical implications of the financial and economic practices of the managers and business leaders. The business schools have been charged with teaching in a moral and cultural vacuum, and thereby turning out to be the training ground for a narrower range of goals privileging corporate profit maximization over ethical and social responsibilities of the firm and the business leaders. Equally, they were seen as compromising public benefit by merely acting as credentialing bodies for the corporate organizations (see Starkey and Tempest 2005: 61–82).

In the recent past, there has been a clamour for fundamental rethinking on what it is that we teach at business schools (Datar et al. 2010). Key observers of the management education landscape like Datar et al. (2010) have lamented the lack of a concerted focus on *being* in the MBA programme. Instead, the management curriculum tends to focus more on *doing* and *knowing* than on *being*. Such an imbalance in the focus of the management curriculum has negative consequences so far as the ethical and social responsibilities of the businesses are concerned. Elsewhere as well, some kind of introspective exercise pertaining to the purpose and contents of management education is already underway. In different parts of the globe, management educators are engaged in trying to understand the past trajectory of management education and recalibrate its future pathways. Even otherwise, there appears to be a general consensus that management education needs serious reorientation and recasting to cater to the present and qualitatively different demands of an integrated global order. The contents and purpose of management education have to factor in the changed socio-economic realities and the fundamental changes in the prevailing organization of global business. It is foolhardy to pretend that businesses hang like the proverbial *trishankus* and are not embedded in the national and global geopolitical contexts. Even something as revolutionary as the information technology (IT) and the IT-enabled services have been linked intimately with the changing political economy contexts at both the national and the global levels (Balakrishnan 2011, 2012). However, over the years, one senses a certain narrowing down of some of these larger concerns, and there appears to be cumulative depletion of the much-needed contextual appreciation of macroenvironment in management education (Matthai 1980).

Put it differently, some observers argue that there is a growing dissonance between management education and the wider social and political realities. The management curriculum's solitary preoccupation with corporate profitability and organizational effectiveness has made it remote from the deeply cherished goals of nation building and public policy concerns. Efficient and visionary managerial leadership is as much needed for governance of the public sector organizations, non-profit and the state sector as for the private corporate sector. In a country like India, management was expected to serve these interrelated sets of multifarious goals and not being solely at the service of corporates. In the heyday of the establishment of the IIMs in the 1960s (and thereafter), such a larger purpose animated the institutional vision including the design of the management curriculum. Somehow, that vision seems have taken a nosedive leading to the creation of a group of self-seeking and inward-looking elites who do not see the need (or do not appear to have the urge) to align their career aspirations with the existing social, cultural or political realities of the country, or the demands of nation building. But then the question arises if our institutions are equipped to pass on lofty goals of nation building and social inclusiveness to all those who pass through its portals. Are our pedagogical practices, curricular frameworks and related institutional practices oriented towards these goals? As Amitava Bose, a former director of IIM Calcutta remarks, "students of these elite institutions [IIMs] do little to address the needs of the so-called 'under-managed' sectors of the economy" (Bose 2005: 157). It is a different matter altogether that the very term nation building has gone out of fashion, and it does not carry the same resonance as it once did in the initial decades after Independence. The changed thinking has manifold implications for the disciplinary and institutional practices of management education. A subject/discipline not having an immediate bearing on the institutionalized expectations of corporate efficiency and profitability (howsoever narrowly visualized) is likely to be relegated to the status of a non-functional subject or side-lined as an add-on course to the more functional array of courses. At a time, when managers are increasingly called upon to manage the various affairs of the country and are expected to advice on public policy making as well, a narrowly circumscribed management curriculum can be counter-productive. Evidently, there is a need to investigate and reflect on such popular impressions of management education in relation to its purpose, its historical evolution, its present unfolding and the pressing need to align it with national specificities and global realities.

Viewed thus, the present volume is an invitation towards joining the larger debate about the past achievements, present challenges and the overall purpose of management education in India. While being sensitive to the global context, this eclectic collection of essays endeavours to specifically focus on the past trends and emerging contours of management education in India. Contributors to the volume consider select themes of their choice in their individual papers. Yet, most of them specifically foreground the Indian experience and bring out their own biographical engagements as teachers and researcher in their respective essays. Of necessity, some of the contributors offer historical perspectives on management education while some others examine its philosophical premises. Unlike many business schools in the USA where they are part of the university structure, the prestigious management institutes such as IIMs in India are stand-alone institutions. This institutional character has surely a bearing on the type of management education they impart and the way these institutional peculiarities encourage or impede pedagogic innovations and the pursuit of excellence in research. Encouragingly, our contributors offer contextually situated accounts of their understanding of a given aspect of management education.

In fact, the bulk of the essays concern the place of what is called related disciplines in management. This, in a way, is also our limitation as we have not been able to include essays from the perspectives of "functional" disciplines such as accounting and finance, marketing and strategy. To a large extent, this omission is deliberate. In our assessment, the functional disciplines have been too embedded in the everyday common sense of what management education is about to take a critical stance towards it. Also, they have been too enmeshed with the U.S. system to move beyond the Western ethnocentric understanding of theory and practice of management education. Refreshingly, contributors to this volume examine different facets of management education in India from the perspective of the Global South. They present rich discussions on the past, present and future of management education based on their reflexive engagement with the management education and its institutions. In this introductory chapter, apart from presenting the synoptic overview of the history of management education in India, we set forth the constitutive rationale of the volume. We delineate the particular focus of the book, that is, the place of various academic disciplines in what has come to be known by the synthetic rubric of management education.

Management Education: The Binaries

Unlike many other academic disciplines, management has been perpetually caught in a series of binaries with contradictory pulls and pressures marking its evolution ever since the first business school was set up in the University of Pennsylvania in 1881 courtesy a generous grant by the businessman Joseph Wharton. The pre-eminent among these binaries has been the one between its aspiration to acquire academic rigour and the urge to maintain an applied orientation. In the beginning, management was seen as a discipline in the art–craft mode to be delivered at a professional–vocational level through the imparting of a set of skills in the functional areas of management such as finance, accounting and marketing. This probably explains the reluctance of the university faculties in the first half of the twentieth century to accord management the same academic prestige as other disciplines had already acquired. It is noteworthy to remember that disciplines such as economics, social sciences and decision sciences were already enjoying academic–scientific prestige before the advent of management as a science. The apparently irreconcilable attempt to bring both rigour and relevance has uniquely marked the disciplinary history of management as a mode of academic–scientific engagement with the world of business.

It is commonly believed that the second half of the last century saw the institutionalization of management as a prestigious scientific discipline on par with other natural and social sciences. The key turning point in this respect was the publication of two influential reports in 1959 sponsored by Carnegie Corporation and the Ford Foundation, respectively (Gordon and Howell 1959; Pierson 1959). These reports firmly placed management on a trajectory that would be aligned with the quest for greater rigour and disciplinary knowledge leading to sharper analytical capabilities (see Porter and McKibbin 1988; see also Datar et al. 2010). Yet, even now, as Grey (2002: 499) remarks, “the knowledge base of management is notoriously fragmented and despite generations of attempts, there is very little in the way of reliable, predictive, law-like generalizations.” For Grey, the value of MBA degree is purely symbolic and credentialist. That apart, the fact remains that management education consciously started building its academic-analytical foundation on a base comprising some of the relevant social and mathematical sciences. For the next five or six decades after the recommendations of the reports mentioned above, the “scientific” model for management education was zealously pursued, and by implication, the vocational–professional model was bid adieu to.

Evidently, the deliberate embracing of the academic model has had a set of pay-offs for management as a respectable discipline. Faculty research got emphasized. Publications in peer-reviewed journals became the new norm for recruitment and promotion. Academic conferences became *de rigeur*. Faculties and departments of management moved up in the institutional and disciplinary pecking order, and business schools acquired unprecedented clout as the ultimate destination for many seeking higher education. Now, the pendulum seems to have swung to other extreme as we have started hearing voices that underline the need for management education to be more relevant to the needs of business. While the academically oriented critics fault the disciplinary domain of management for its “unexamined assumptions and uncritical acceptance of ready-made notions from the mainstream of the social sciences” and its “inadequate and superficial concepts retarding proper analysis” (D’Mello 1999: M169), others have been making insistent demands on it to be problem-solving in orientation and of immediate relevance to the needs of the business. For the latter, management education is increasingly turning into an esoteric discipline with growing distance from the world of business. These dilemmas and their implications for faculty research and attended academic practices inform most of the essays assembled in this volume.

In the context of operations management, Megha Sharma and Sumanta Basu (Chapter “Management of Mathematics or Mathematics of Management: Quantitative Methods in Management” in this volume) offer an engaging account of the challenges involved in reconciling the competing demands of rigorous academic research and industry expectations. While acknowledging the difficulties in bridging this gap, they underline the need for making research relevant to the problems facing the industry. They admit candidly that in most of the management institutions, "the research incentive is aligned with an objective to publish in top-tier journals. While this incentive design is appropriate from the academic point of view, institutions should also create incentives for researchers with a focus on application-based contribution specific to Indian industries." Likewise, Jacob Vakkayil (Chapter "Maslow or Mahabharat? Dilemmas in Teaching Organizational Behaviour in Management Institutes of India") reiterates the excessive "pressures for publications driven by the pursuit of global accreditations." Vakkayil is not too sure if such academic demands will necessarily "enlighten our students or practitioners about managerial behaviour in India." In fact, in the area of organizational behaviour, Vakkayil finds that most of the researches do not converse with the realities of local context. To address this inadequacy, he advocated the need for developing our own models for good research. Rather than imitating Western approaches that privilege academic productivity in terms of paper publications, Vakkayil calls for a novel research model that will judicially blend rigour and relevance. Yet, this remains a wishful thinking as there would be diverse understanding of what is the ideal blend in varied contexts. Arguably, the practitioners of management education are still not unanimous about the contours of relevance and rigour.

This lack of consensus also manifests itself in the management curriculum, that is, on what we teach in management schools. More fundamentally, the diverse understanding relates to the very understanding of what a business schools is, and what it is expected to do. Anup Sinha (Chapter "From Management Institutes to Business Schools: An Indian Journey") brings in the larger institutional context to make his central argument that IIMs in India were not mandated to be mere "business" schools. He laments the narrowing down of the earlier conceptualization of the management institutions into specialized business schools placing undue premium on the mere imparting of the technical skills. In the process, management institutions in India seem to have digressed from their "larger social responsibility to help transform India into a modern, vibrant and prosperous economy and society" (Sinha, Chapter "From Management Institutes to Business Schools: An Indian Journey"). In country such as India, where much of the high-quality management education is subsidized by the government, it is but natural to expect of these management institutions to contribute to the task of nation building.

Viewed thus, a series of factors have a bearing on what gets included in the management curriculum—the role of public institutions, the demands of nation building and the overall societal ethos of modernization and development. Once some of these larger visions start getting depleted in terms of their contents, then, serving the private corporate interest becomes the ultimate touchstone of the relevance of management curriculum. As a consequence, we find increasing undermining of the students' understating of the larger societal realities, and their relative insulation from the larger questions of day. Given this scenario, it is but obvious that subjects such as sociology, psychology, business history, philosophy, anthropology, liberal arts and law, which speak to the larger context, find themselves either relegated to the status of being unwanted or made to disappear altogether from the management curriculum.[1] Manish Thakur (Chapter "(Invisible) Disciplines: Sociology and Management") attempts to capture this sense of marginalization through his revealing title, "invisible disciplines." Rajesh Bhattacharyya (Chapter "Business History: Travails and Trajectories") engages with a similar marginalization in the context of business history. While business history as a discipline is expanding the world over, including India, paradoxically, its connection to management education in India is still tenuous. Rajesh Babu's account (Chapter "Law and Business: Comparative Perspectives") of the place of law in management education is along similar lines. While law is generally present in management curriculum, it has not been organically integrated with the curricular framework. To a large extent, law, even now, appears to be a mere add-on to the existing repertoire of courses that ultimately constitute the management curriculum. We know for certain that most of the academic disciplines are "unstable compounds" and they go through a historical process of waxing and waning in terms of their publically perceived value and relevance. Pragyan Rath's contribution (Chapter "Keeping Up with the Finishing School Myth: The Role of Communication in Contemporary Indian Management Education") adds historical depth to the grander question of disciplinary hierarchy and the attendant fluctuations in the overall goal of education. Though confining herself to the substantive domain of business communications, she offers a broad overview of management education in terms of larger shifts from critical analytical tradition to technical/practical endeavours and the way they have impacted on the meanings and purpose of education over a larger swath of history.

As a matter of fact, the fundamental disciplinary coordinates of management education have been shifting in terms of relative importance assigned to different academic disciplines. There was a time when the importance of economics in the management curriculum was uncontested. The larger institutional historicity of economics, and its claim as being the most scientific of the social sciences, had imparted it relatively superior position in the hierarchy of disciplines. Still, such hierarchies are context dependent. A hierarchy that may appear to be firmly lodged in the institutional setting of a university may not carry the same weight when the setting turns out to that of a management institute. The change in institutional context, of necessity, makes new demands on a discipline in relation to its pedagogic methods, organizing principles and curricular design. Partha Ray (Chapter "Teaching Economics in a Management School: Some Personal Quandaries") maps out the changes in the expectation of a discipline in the context of his personal experience of teaching economics in a management institute. His essay brings out

[1]The entry criteria set in common admission test (CAT) to IIMs largely tests quantitative aptitude and thus favours the engineers. This gives rise to a typical management class with disproportionate proportion of engineering graduates.

the nuances of changing relationship between two disciplines—the "traditional" economics and the "emergent" finance, captured in the "metaphor of the 'front page' versus the 'business page' of a newspaper."

The New Elites

Many of our contributors consider the business schools' relationship to wider structures of social inequality and elite reproduction. For them, business schools are not merely politically neutral and ideologically innocuous institutions reeling out professional managers and business leaders for the furtherance of efficiency needs of business and related organizations. Undoubtedly, professionals coming out of the prestigious business schools form an elite class to the extent they share a set of values or understandings that is definitional to an identifiable group of elites. True, business schools produce suitable personnel for consultancies, investment banks, industry or the public sector, but then the requirements of the recruiters are themselves quite variegated. It would be foolhardy to consider business schools as the mouthpiece for a coherent and univocal set of interests. Indeed, business schools do offer status and credentials to individuals and preselects and socializes them for certain kinds of organizational employment. Through its socialization process, business schools surely contribute to the provision of shared languages and understandings among managers (Grey 2002: 500). And, as we know, it is the operation of a shared cultural code that is the hallmark of elite. The key anchoring devices and material resources for such a shared cultural code may differ at different points in the life history of a given society. It could be caste and ownership of land at a given point in time. At some other time, it could be shared liberal arts education from reputed colleges and the attendant professional roles as civil servants. It could be the shared professional identity as doctors or engineers or lawyers or chartered accountants. Likewise, it could very well be one's shared MBA years at an IIM and the resultant alumni network of one's alma mater.

In India as well, business leaders and professional managers have emerged as part of the new intelligentsia. Gone are the days when opinion-makers would invariably come from the worlds of civil services and academics. The changing culture of public opinion bears testimony to the privileged presence of business leaders and iconic professional managers in the public policy domain including that of management education. For the aspiring youth in India, most of the contemporary iconic role models come from the world of business, entrepreneurship and professional management: Sam Pitroda, Narayan Murthy and Nandan Nilekani; Ambanis and Jindals, Satya Nadella, Sabir Bhatia, Indra Nooyi and Ajit Balakrishnan. Their achievements are lauded, their lifestyles are emulated, their public interventions are closely followed, they are invited into government committees, and their advice is increasingly sought in public policy making. It would not be an exaggeration to say that they are the new opinion leaders and they play a major role in shaping the contemporary ethos of new India. Their privileged public presence can be seen as one of the reasons that management education has come to be seen as such a prestigious career option. Given the contribution of management education to the making of such elites, it is only appropriate that critical management studies (CMS) has started questioning the philosophical and political basis of management education. CMS insists that we take cognizance of social relations surrounding an apparently technical problem. Likewise, it underlines the growing importance of social responsibility and business ethics.

Appreciably, the National Knowledge Commission (NKC 2009) in India has emphasized the need for management education to pursue a wider scope and realize a more wholesome impact on society. It stresses the need for better management in education, health, local governments, co-operatives and civil society organizations and recommends more career opportunities in public management. It does not want management education to remain narrowly focused on the large, for-profit mainstream sort of organizations so as to benefit only individuals of economically wealthy classes. In terms of knowledge base as well, it recommends sensitizing "management education to our unique sociocultural situation by including India specific case studies in the curriculum, reflecting our diversity and incorporating traditional wisdom" (NKC 2009: 288). Also, the NKC makes a plea for integrating management with other knowledge sources and makes a case for increased research funding for management and supporting disciplines.

All these recommendations hold the promise of making management education more inclusive. In effect, they will go a long way in enlarging the scope of management education and, in a way, making it receptive to some of the burning public policy issues of our times like poverty and social inclusion. Arguably, these issues have not been even of peripheral concerns to business schools and business students. The wider social concerns relating to the notions of justice, equity and morality are to be seen as outside the realm of business and its operations and hence that of management education. Instead, such issues are likely to act as constraints on the effective and relevant delivery of management education. One notices such a quandary in the prevailing debate on the inclusion of ethics in management education. Bhaskarjit Neog (Chapter "Business Can't Be as Usual: Business Ethics Education in India") enunciates the desirability of business ethics in all its dimensions. Even otherwise, the expression "business ethics" is paradoxical as it does not seem to coherently specify anything specific either to business or to ethics. However, business ethics has come to be seen as injecting "morality into management education, which is otherwise oriented towards profit maximization and quarterly returns" (Neog, Chapter "Business Can't Be as Usual: Business Ethics Education in India").

Business ethics is expected to inculcate a vision of management education that would make managers see beyond the profit of business organizations. Sinha (Chapter "From Management Institutes to Business Schools: An Indian Journey") outlines this vision when he writes, "Managers of the new era were supposed to be trained people who had a larger social responsibility to help transform India into a modern, vibrant and prosperous economy and society." Evidently, the reference is to an education that transcends the functional world of finance, marketing and strategy, to appreciate their embeddedness in history, society and India's political economy.[2] According to Sinha, the Indian managers were expected to work not just only for the corporates, but also for the government, NGOs, municipalities and other social projects operating in rural India. Encouragingly, even in American management education, which is seen as the gold standard everywhere and more so in India, the growing engagement with social and environmental issues is a major emerging trend, and these issues are being seen as integral themes in management education at major schools worldwide. In some sense, some of these trends have the promise to revitalize the current forms of management education that Sinha sketches so poignantly.

To be sure, management education is market driven in a way that university education, in general, is not. Moreover, the prestigious institutes thrive on assured placements of their students. And lucrative placements are not to be found in the "under-managed" sectors of the economy. More often than not, well-paying jobs are in the private corporate sector and with the multinationals where the rewards are handsome, mobility is quick, and recognition is fast. This contrasts poorly with the government and the public sector jobs where promotion-by-seniority is the norm and the performance-based incentives are few and far between. This leads to a peculiar situation where the "under-managed" sectors are not financially capable to hire the graduates from the IIMs. Amitava Bose, the former Director of IIM Calcutta, illustrates this with reference to IIMs which themselves cannot hire their own students as managers; howsoever undermanaged they are (Bose 2005: 158). Furthermore, the current fee structure of IIMs propels the students to take up "elitist" jobs in order to get reasonably quicker return on their "investment."

The National and the Global

Since the very beginning, management education in India has been subjected to searching criticism for its lack of strategic focus and its heavy reliance on literature, tools and techniques imported from the USA. Much has been written about the crisis facing management education and its own mismanaged state of affairs (Bhattacharya 2010). Commentators such as D'Mello (1999) have castigated management education in India for being a complete "transplantation of Anglo-American management education—a continuous, systematic and indiscriminate adoption of concepts, choice of issues, theoretical frameworks, content and pedagogy, and their underlying ideological orientation." He finds it as an additional evidence of the neo-colonial mindset characterizing Indian academia that ceaselessly relies on the application of Western theory to Indian empirical material,

[2]However, the course structure at IIM Calcutta addresses these larger concerns. The IIM Calcutta PGP curriculum has compulsory courses such as Indian Economic and Political History, Environment and Development, Indian Social Structure, Indian Legal Structure, India and the World Economy. For details, see Bose (2005: 159).

often leading to misplaced analyses and misleading inferences. When the IIMs were first established with the help of the U.S. technical collaborators—Massachusetts Institute of Technology (MIT) (for IIM Calcutta) and Harvard University (for IIM Ahmadabad)—they brought their course outlines, curriculum design and initial faculty. Even the admission and selection procedures for admissions to the IIMs have been adapted from the American Graduate Management Education Test (Chapter "A Postcolonial Critique of Indian's Management Education Scene"). While the U.S. business schools have moved on in terms of curriculum design and selection criteria, no major changes have come about in the structure and functioning of the Indian institutions since the 1960s when the first two IIMs were established.[3] Since the practices of older IIMs have benchmarking effects on the new ones, the originary American ethos continues to pervade the entire field of management education in the country.

Be that as it may, it is true that management education in India was seen as a refreshing breath of fresh air seeking fields of application which were of primary national significance. Ravi Mathai, one of the early institution builders in the field, rightly remarks that management education was expected to be concerned with "a wide range of economic and social sectors of the nation's operating system." The initial impetus was to rescue the role and scope of management science from the narrow concept of industrial management and to go for the broader concept of applying the social sciences to the resolution of problems in nationally significant activities. According to him, management education had a vision to be able to view the nation's operating system as an integrated whole. In his reading, management education in India was neither a foreign transplant nor a foreign adaptation but represented the creation of Indian minds dedicated to working on the problems of their own country. In one way or the other, the idea that management education should specifically converse with Indian realities and experiences has been the subject of continual reflection. These reflections have found their way in public debate and discussions as well (see for example, Prof. N.S. Ramaswamy's letter dated November 20, 2008, addressed to the Secretary, Ministry of Human Resource

[3]The Bhargava Committee for the IIM Review (2008) was the seventh committee in the history of the IIMs and the third Review Committee. The first committee was established in 1959 by the Planning Commission to finding suitable managers for the public sector enterprises. Prof George Robbins of the Graduate School of Business, University of California, was invited to formulate a scheme to set up an All India Institute of Management Studies. This was followed by the Ravi Mathai committee in 1972 which recommended the need to have two more IIMs. In 1981, the first Review Committee headed by H.P. Nanda felt that the existing three IIMs at Calcutta, Ahmedabad and Bangalore had reached their optimum capacity and recommended establishing two new IIMs and Fellowship Programmes to meet the demand for teachers in the management schools. The V. Kurien second Review Committee of 1992 proposed that IIMs stop depending on the government for their annual operating expenses ("Non-Plan expenses") and suggested that corpus funds be created at each IIM. In 2004, V.K. Shunglu, ex-C&AG, Government of India, was asked to study the finances of the IIMs. In 2007, the Veerapa Moily Committee recommendation led to the IIMs (by then seven) dramatically raising their annual PGP intake from 1800 in 2008–2800 by 2010, with 52 % of the increased intake being reserved for Scheduled Castes, Scheduled Tribes and Other Backward Class (SC, ST and OBC) candidates (IIM Review 2008).

Development, the Directors of IIMs, and members of the Board of Governors of IIMs). On the other hand, there has been another school of thought which wanted to go beyond mere contextualization. For them, in our times, contextualization is not enough. We need a deeper understanding of such phenomena as globalization, leadership and innovation as well as the ability to think critically beyond national specificities (Datar et al. 2010).

Simultaneously, we witness a great enthusiasm towards universal standardization of management education in terms of ranking and accreditation on the part of management institutions in India. This eagerness to internationalize has far-reaching implications for the present and future practices of management education. Most of these accreditation agencies and ranking frameworks, for obvious reasons, privilege the U.S. and the Western experience.[4] Ojha (Chapter "Management Education in India: Avoiding the Simulacra Effect" this volume) rightly takes note of the growing pressures on the Indian management institutions for restructuring and aligning their institutional goals and structure for the purpose of accreditation. In effect, this urge towards accreditation amounts to further entrenchment into alien experiences, and the attendant distance from national contexts, realities and priorities. For Ojha, there is no need for the IIMs to go for the external accreditation as they enjoy significant national legitimacy. Also, given their national stature, the IIMs have to be concerned about the representation from different regions of the country as well as to have a focus on gender diversity.

At any rate, there is no evidence to suggest that multiple international accreditations lead to greater inflow of foreign students to Indian campuses. On the contrary, the international accreditations bring imbalances in institutional priorities. For example, faculty members get subjected to alien framework of assessment for research and publications, essentially meaning publications in the U.S. or the European journals. These demands have a distorting effect on the research priorities of faculty members, as they feel morally obliged to cater to the supposedly global academic audience. In the process, they may get further alienated from the local context in which they operate. Their research may further disconnect from national problems and priorities. There is a danger that whatever tenuous linkages that their research may have had with the practical problems of the country may get further attenuated.

The same remains the case with the ranking of institutions. Ojha (2005) argues that most of these rankings are inherently flawed and provide misinformation hiding behind the garb of "scientific" processes. Unless checked, ranking of management institutes by a particular magazine or media outlet may get institutionalized, as the Business Week rankings have been in the USA. "Once this happens, the rankings are going to hurt rather than help management education in India by distorting the priorities of management institutes" (Ojha 2005). Quite recently, MHRD has

[4]Some of the most important ones are: AACSB—The Association to Advance Collegiate Schools of Business (based in Tampa, Florida); AMBA—The Association of MBAs (based in London); EQUIS—European Quality Improvement System (based in Brussels).

proclaimed the National Institutional Ranking Framework (NIRF) to take on board the national specificities of higher educational institutions in India. This is a welcome initiative to the extent that it acknowledges the fundamental problems with prevailing frameworks of ranking. It would be premature on our part to comment on this endeavour without a comprehensive assessment of its outcomes. For the present purpose, what is important to note is the continued incorporation of the Western parameters in the NIRF.[5] Incidentally, the initial outcomes have been criticized as "absurd" and the list full of "surprises."[6]

Relevance and Rigour

On and off, we come across general reviews and historic critiques of management education (Dayal 1998; Sinha 2005). Some of these reflections are more prescriptive than historical stock-taking (Chattopadhyay 1989). The underlying theme in this sort of published literature is, as a rule, to talk of greater rigour and discipline-based knowledge leading to sharper analytical capabilities and relevance in the same breath. Depending on one's ideological predilections, or the particular understanding of what management education is all about, commentators underline a set of ideal goals "thinking, reasoning, creative problem-solving skills accountability, ethics and social responsibility" (Datar et al. 2010: 322). Some plead for more space for field-based research and experiential learning in management education. Some of them lament the fact that "those who do attend traditional MBA programmes now spend even more time networking and securing jobs; many schools report that engagement in the classroom is down while commitment to recruiting activities is up" (Datar et al. 2010: 325).

In the recent past, the subprime meltdown of 2008–2009 has been seen as an eye-opener for the scholarship in the disciplinary field of management. There is a chorus that mere tweaking of the frills or window dressing will not suffice, as there is urgent need to bring critical skills and perspectives back into pedagogy in business schools. So is the need for high-quality research as well as the expanded partnerships with other disciplines, university departments and faculties. Everyone is talking about broadening the base of faculty teaching business students by drawing upon disciplines such as law, public policy and other disciplines in the humanities sciences and social sciences which are under-represented in business schools. Such collaborations have the promise of expanding the range of disciplinary perspectives that the management education has had. They can also result in

[5]For instance, the NIRF, for assessing the total number of citations of publications based on the three Western standard Data Bases: Scopus, Web of Science and Google Scholar, and based on the publications in journals listed in FT-45, Scopus and Google Scholar.

[6]Academicians criticize HRD rankings of universities <http://www.dnaindia.com/india/report-academicians-criticise-hrd-rankings-of-universities-2199846>.

greater outreach to interested undergraduates and help bring in much-needed diversity in classrooms in business schools (see Datar et al. 2010: 338).

The essays presented here do not claim to be representative of the entire gamut of practices that form part of the ever-growing field of management education. There are diverse range of programmes under the broad rubric of management and varying type of institutions which offer them. Most of the contributors are familiar with the IIM system and they have largely adhered to the editorial request of framing their essays in terms of personal reflections and autobiographic insights. In this sense, we do not claim any grand scientific overview of management education in India and its varied institutional practices. At best, we offer some modest reflexive pieces compared to grandiloquent work of some of our predecessors who have had the expertise and sagacity to look at the constitutive philosophy and organizing principles of management education. But then, we also refrain from castigating management education *in toto* as the handmaiden of contemporary capitalism. Indeed, the main burden of many of the essays collected here is to demonstrate that management is not, and should not be seen as, merely an apolitical technical exercise and endeavour. The discourses and practices operative in the domain of management are intimately linked with global power and hegemony politics that constitute the status quo of our times. Thus, the attempt, as Jammulamadaka puts it (Chapter "A Postcolonial Critique of Indian's Management Education Scene"), is to seek to understand practices in India from perspectives other than efficiency or profiteering that are central to management and unshackle ourselves from the notions of manager, organization and management.

Some of the overviews of the field are suffused with a sense of lament and decline. It is not uncommon to come across the accounts of uninterested classrooms and placement being the key driver for management education. There is scepticism whether business schools really impart value addition to those who come to spend two years of their prime through their corridors. Yet, there is no decline of popularity of the MBA as a professional choice par-excellence.

There are certain peculiar institutional characteristics that distinguish business schools in India from their counterparts elsewhere. They have negligible or limited institutional linkages with other higher education institutions such as universities. In fact, they are seen as great teaching institutions delivering quality management education precisely because they are different from universities in terms of their governance structures which allow them to pursue excellence as they are not constrained by the bureaucratic structure and one-size-fit-all academic orientation of the apex regulatory bodies of higher education such as the University Grants Commission (UGC) and the All India Council of Technical Education (AICTE).

In any case, there is plurality and diversity of discourses characterizing the field of management education. Some of them privilege the recruiter's perspective, whereas others plead for enhanced analytical capabilities of MBAs by bringing in integrated course and perspectives on substantive themes such as marketing competition, customer innovation. Some argue for expanding the ambit of management education, whereas others repeat *ad nauseum* what Milton Friedman once famously proclaimed that "business of business is business." Some attempt to identify the analytical and disciplinary gaps while others call for immediate short-term practical solutions. Some think that business schools act more as sorting devices to classify talent than as institutions with an important educational mission. For the critics, the business schools are self-referential bureaucratic organizations wherein the different interest groups struggle to protect their own turf. Such divergences in appraisal and understanding definitely underline the need for continued debate to negotiate the conflicting interests of key stakeholders.

Governance

Of late, management education is at the centre of public discourse in India. This has largely been the consequence of two major initiatives in the national arena: the establishment of new IIMs and the attempt to bring in an umbrella statutory framework for the governance of all the IIMs. These two initiatives have given rise to a series of questions which remain unresolved as of now. The positive aspect of this debate is renewed focus on some of the fundamental purpose of management education in the country. First, the very decision to establish more IIMs in different locations of the country is contended by different stakeholders. Whereas these new IIMs are to broaden the social inclusiveness of management education, there is equal concern about the dilution of the established brand image of the older IIMs, such as the IIM Calcutta, Ahmadabad, Bangalore and Lucknow. According to some, the establishment of more IIMs is going to make a dent in the exclusiveness of these institutions, something that has been a valued resource for them nationally and internationally.

At present, there are 19 IIMs.[7] One keeps hearing that more are in the offing till each state gets one IIM. These new IIMs depend on the older ones till they come on their own administratively and academically. Some of these IIMs have been established in remotest corners of the country, thereby making them respond to the felt needs of access to management education by the larger number of aspiring youth. At the same time, such proliferation of IIMs is also seen as misplaced allocation of public resources. Some question the need to waste precious public resources to churn out managers who end up serving the corporates. This public investment for private gain defies logic for a country struggling for resources in domains such as healthcare, primary education and sanitation and similar other worthy social sector needs. There are other consequences as well. Presently, many IIMs, specifically the new ones, do not have full-time directors or the critical mass of faculty. As a consequence, the "mentoring" of new IIMs places additional burden on the older ones which themselves are understaffed, given the increase in the

[7]The 19 IIMs are: Indian Institute of Management at Ahmedabad; Amritsar; Bangalore; Bodh Gaya; Calcutta; Raipur; Rohtak; Kashipur; Kozhikode; Lucknow; Indore; Nagpur; Ranchi; Sambalpur; Sirmaur; Udaipur; Shillong; Tiruchirappalli; Visakhapatnam <http://mhrd.gov.in/iims>.

student intake and the diversity of academic programmes. There is lurking fear that the mentoring may cause dissipation of institutional energy of the older IIMs which otherwise may have been expended into taking their own institutions to greater heights.

The recent proposal by the Government of India to provide statutory backing to the IIMs through an Act of Parliament has equally attracted wide public attention. The bill envisages a nationally important institutional status and degree-granting powers to the IIMs. The bill proposes an umbrella organization for the 19 IIMs called the pan-IIM Board with the President of India as visitor. The Board is to be vested with the power to review their functioning, approve their vision and mission statements, give guidelines for framing policy, approve and review business plans and performance every two years, and advise government on all matters relating to IIMs (IIM Review 2008). On the positive side, the statutory backing will permit the IIMs to grant a universally recognized MBA degree or a doctorate (Ph.D.), rather than the current diploma/fellowship.

However, the Bill has its own critiques. According to some, the IIM Bill has the potential to dilute the autonomy enjoyed by these institutions. For instance, IIM Ahmedabad has argued that the curtailing of the autonomy will reduce the premier B-school to a mere "operating centre" while arming the government with sweeping powers. It has been noted that the IIMs, despite being public institutions with associated government control, have grown to an internationally recognized institution owing largely to the autonomy and flexibility, both academic and administrative, that they enjoy to suit and adapt expediently to the challenges of times, without being hindered by the bureaucratic process that ails India's university system. The overall autonomy has also helped them attain financial autonomy and non-dependence on government grants, which in turn helped them attract and retain world class faculty through appropriate incentive structures and brought collegiality to the fore. This made IIMs evolve, by trial and error, in establishing a system par-excellence, at least in the Indian context. Some also strongly feeling that the one-size-fits-all attempted pan-IIM Board consisting of 19 institutions (having different needs and priorities) is simply "detrimental to the very objective of fostering academic autonomy, flexibility and uniqueness of individual IIMs."[8] An ideal middle path could be blending the positive experience of the current model with institute specific bills which could preserve the institutional individuality and the current structure and control without losing out on the promised positives of the new bill.

Efforts must be towards strengthening the governance of IIMs so that they could compete at the global level. With the impending competition from the foreign universities and institutions, the government and the IIMs must strategize to sustain and survive the completion which is already unveiled in the executive education

[8]Urmi A. Goswami, "IIM-Lucknow objects to umbrella board plan," *Economic Times* December 23, 2008 <http://articles.economictimes.indiatimes.com/2008-12-23/news/28663949_1_iim-lucknow-pan-iim-board-r-c-bhargava>.

space. Executive education and training form a major revenue source for the older IIMs that contribute towards their financial robustness. However, the entry of the institutions such as the HBS in the domain of, specifically, senior executive education (CEOs and Directors) has made considerable dent on the revenue and the financial health of the IIMs. HBS, for instance, has full-fledged training facilities operating in India that offers specialized programmes and initiatives that enable them to deliver executive education to managers of both local and global companies.[9]

Likewise, consultancy services are another revenue source for the IIMs. The government must ensure that the state-sanctioned projects and consultancy requirements are met by public institutions such as IIMs, IITs and Indian universities rather than private firms, which may also present potential conflict of interest. State patronage, be it executive education or government training and consultation, would not only incentivize the public institutions to generate their own revenue, but also contribute towards reducing the subsidy burden of the state in higher education. It was on the recommendation of the Kurien Review Committee of 1992 that the government envisaged a model for non-dependence of the IIMs on the government for their annual operating expenses (IIM Review 2008: 8). The older IIMs have shown the workability of the self-sustainable model even in institutions of public character.

The argument advanced here is by no means towards excessive corporatization of the governance structure of the management institutions. IIMs need not run like corporate entities. After all, IIMs are public institutions. At the same time, they have to run themselves efficiently given the enhanced competition in the increasingly interconnected world of higher education. There is, indeed, a greater need for engaged dialog among different stakeholders—the Government, IIM Board of Governors, the faculty, students and the employers. To the extent that the quality and character of an academic programme is not independent of the quality of its institutional habitat, management educators need to dwell on governance structures and institutional design as well. The latter presents as many challenges as issues of curriculum and pedagogy.

Concluding Remarks

In this introductory chapter, we have attempted to understand management education in relation to a set of factors both the internal and the external. In our reading, management education is not merely a function of what goes on within the precincts of a given institute, howsoever prestigious. Given the increasing global connectedness of institutions of higher learning, it would be unrealistic, and even undesirable, to wish away extraneous influences. As the same time, it would be

[9]Harvard Business School in India, <http://www.exed.hbs.edu/programs/bgei/Pages/india.aspx>.

imprudent on our part to get carried away by whatever comes our way. In the realm of management education, as elsewhere, we need to consciously develop our critical capacity to engage with the big issues of the day without becoming euphoric of or subservient to global trends. The national policies and the macrocontext characterizing higher education in our country have equal bearing on what institutions mandated to impart management education do, or can do. These institutions do not inhabit politically neutral national and transnational spaces. We have merely hinted at some of these interconnected issues without detailing their varied ramifications for the future of management education.

Our limited discussion (and our understanding) of these issues, however, makes us reiterate the noticeable absence of serious scholarly reflection on the state of management education in the country notwithstanding the proliferation of institutions offering management degrees. We do not claim to fill this gap either substantially or in a large measure. We look at these essays, individually and collectively, as a modest invitation to a dialog that other scholars may carry forward with rigour and zeal. These reflective essays, at least, accomplish this task of underlining the urgent necessity of such a dialog. Historically, management education in India has been shaped by the dominant academic trends of elite business schools in the USA. We try to unpack that taken-for-grantedness by problematizing different facets of management education in India—pedagogy, curriculum, disciplinary and institutional practices—from the perspective of the Global South. We do hope that these essays bring out the institutional challenges of crafting a relevant academic programme that converses with both national specificities and global realities. Coming from diverse academics specializations, our contributors traverse the interface of their respective disciplines with management education. In doing so, they engage with the ongoing global debate on management education. Scholars and practitioners of management education in India may find in these pages some of the questions that certainly have a bearing on the contemporary relevance and future challenges of management education in the twenty-first century.

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Part I
Management Education: Locations and Hierarchies

A Postcolonial Critique of Indian's Management Education Scene

Nimruji Jammulamadaka

Abstract This chapter explores the history of Management education in India and its current status as a dominated field of knowledge. Building from Ford Foundation's support for IIMs to the 2008 IIM review committee report, it traces the developments in the notions of Management education in India. It also focuses attention on the status of the Management teacher in contemporary times, as an individual who straddles between the subordinated world of Management education and a native teacher. Following the logic of decolonial thinking and the geopolitics of knowledge, the chapter makes a suggestion for decolonizing Indian Management education. It also provides an illustration of how thinking from "other" categories opens up a new world of understanding and insight.

Keywords Management education · India · Postcolonial · Decolonization

Introduction

The All India Council of Technical Education (AICTE) lists over 3500 approved Management degree or diploma programmes. There are a total of 20 (existing and proposed) Indian Institutes of Management (IIMs) in India.[1] These programmes offer Management degrees/diplomas of various hues—one year, two year, executive, part-time, full-time, postgraduate and doctoral.[2] These close to 4000 programmes constitute the institutional apparatus that provides what we collectively understand as "Management education" in India.

[1]'2 more IIMs, 1 IIT announced in Budget,' *Business Standard*, Mumbai Feb 28, 2015 <http://www.business-standard.com/budget/article/2-more-iims-1-iit-announced-in-budget-115022800288_1.html>. Accessed June 6, 2015.
[2]www.aicte-india.org. Accessed June 6, 2015.

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The Eleventh Five Year Plan of India had suggested the expansion of IIM facilities by setting up six new IIMs, based on a projected requirement of technically skilled manpower. But the MBA degree and Management education in India are much more than a technical manpower market demand. They symbolize upward social mobility. Given such social and economic materiality, the last couple of decades have seen a phenomenal expansion of MBA programs, within both government-supported and private institutions. Even with the expansion of IIMs, getting an IIM seat remains very tough with close to 2 lakh applicants for a couple of thousand seats[3] and several tens of thousands of students who do not have the option of an IIM seat enrol into the vast number of university-based Management programmes. This hints at the popularity and desirability of an MBA degree in India. If we are to follow the first Indian Chief Executive of Hindustan Levers and one of the earliest and most celebrated Indian managers Prakash Tandon, the trends in MBA admissions would lead us to expect that India is managerially well endowed to emerge as a credible and competitive economy on the global stage. Prakash Tandon called "India's new Managers" her greatest asset (Tandon 1971: 7). In the foreword to one of the first books on Management in India, *Managerialism for Economic Development*, Tandon writes "[T]hat a developing economy needs Management even more than resources is now becoming abundantly clear to all students of growth." But our expectations soon run aground. A study by the Associated Chamber of Commerce and Industry of India finds that 90 % of these graduates are unemployable in spite of a growing demand for MBA. Barring graduates from IIMs, there has been a decline in placements of up to 40 % from 2009 to 2012 and several hundred programmes have been shutting down due to poor student intake, poor quality infrastructure and Management training.[4]

This phenomenon of the cohabitation of abundance of MBA degrees and scarcity of Managerial capacity raises the interesting question of the meaning of Managerial capacity, its purpose and quality. In attempting to answer this question from a critical perspective, this essay first delineates the character of Managerial capacity, Management education, its ideology and the relationship this has with contemporary crises—ecological, economic and social. Second, by adopting a postcolonial lens, the essay then examines the genesis and growth of Management education in India, highlighting the colonizing subordination implicit in the very notion of "professional Management education" and its corollary "the authentic Indian Management" and the geopolitics of knowledge. Finally, the essay concludes with some imaginations of how we might move towards decolonizing this knowledge.

[3]"CAT 2014 registrations up marginally; 7000 register on Oct 10" http://www.bschool.careers360.com/articles/cat-2014-registrations-marginally-7000-register-on-oct-10. Accessed June 6, 2015.

[4]'MBA in India: 90 % graduates unemployable. <http://www.rediff.com/getahead/report/slide-show-1-career-only-10-percent-mbas-employable/20130131.htm>. Accessed June 6, 2015.

Managerial Capacity and Management: What Art Thou?

In our everyday talk, we frequently refer to homemakers managing their homes and people managing their life and relationships. We also talk of petty traders and craftsperson managing their livelihoods. In these and many other related instances, by "managing," we are referring to a process of getting along, making do, of continuing to function. However, in invoking the term "Managerial capacity," we do not refer to any of the above connotations but to a very specific set of practices, processes, behaviours, dispositions and belief systems which are collectively designated by the signifier "Management." The terms "Management" "manager" and "organization" as used in the field of Management practice and academia carry distinct meanings. In the 1960s, even before Management as a discipline grew to the stature it has today, a career officer with the U.S. Agency for International Development working on building institutional competence in Management and development across the world described Management as giving "proper attention to economic considerations in their political decisions" (Phillips 1969, as cited in Hill et al. 1973). Thus, while wealth creation and distribution could be a political act, it had to be properly subordinated to economic, quantitative and psychologistic logic, as has been evident in the emergence of the field of Management from the parent disciplines of economics, psychology, anthropology, administration and mathematics.

Managers therefore refer to that class of people who manage the organization for the shareholders. The organization or the corporation itself refers to large Weberian corporate hierarchies and bureaucracies that privilege a certain kind of training (Banerjee and Linstead 2004). From Weberian bureaucracies to post-Fordist organizations, the notion of rigid hierarchical bureaucratic control exercised through and by trained Management remains pervasive. Any basic organization behaviour or introductory Management textbook foregrounds this meaning (see Table 1). Managerial training is constructed as one that goes beyond simply coordinating the processing of goods, operations and people to a reliance on scientificity and laws of coordination.

> …we have adopted the 'scientific' approach of trying to discover patterns and laws, and have replaced all notions of human intentionality with a firm belief in causal determinism for explaining all aspects of corporate performance. In effect, we have professed that business is reducible to a kind of physics in which even if individual managers do play a role, it can safely be taken as determined by the economic, [mathematical and engineering] social and psychological laws that inevitably shape peoples' actions (Ghoshal 2005: 77).

Economics is the touch stone of such a scientifically engineered decision-making—an economics modelled on *Homo economicus*, aimed at maximizing the value of the shareholder. To be fair, the mantra of shareholder value maximization evolved over several decades of struggles around principals, agents, regulators and the financialization of the American economy and polity (Fligstein 2008).

This version of Management was developed as an uncritical and unself-reflexive discipline to all its glory in the university-based American business schools who

Table 1 Excerpts on meanings of Management from prominent Management textbooks in use in India

Name of book	Extract	Authors
Organization behaviour	"Work organizations are created to accomplish work goals and they have different criteria for membership. Members of a work organization join it by a conscious decision and there is an element of choice on both sides" (p. 7)	Margie Parikh and Rajen Gupta
Organizational change (India edition)	"Organization: a group of people brought together for the purpose of achieving certain objectives. As the basic unit of an organization is the role rather than the person in it the organization is maintained in existence, sometimes over a long period of time, despite many changes of members" "Organization as a system of interacting subsystems and components set within wider systems and environments that provide inputs to the systems and which receive its outputs" (p. 5)	Barbara Senior and Jocelyne Fleming
Organizational behaviour: a strategic approach (India edition)	"Organization as a collection of individuals, whose members may change over time, forming a coordinated system of specialized activities for the purpose of achieving certain goals over some extended period of time. One prominent type of organization is the business organization, such as Intel, Microsoft…. There are other important types of organisations as well. Public-sector organizations" (p. 9)	Michael A. Hitt C. Chet Miller Adrienne Colella
Business policy and strategic Management	No specific definition, all references to the accepted cannon of strategy discipline	AzharKazmi

(continued)

Table 1 (continued)

Name of book	Extract	Authors
Human resource Management: text and cases	"HRM, on the other hand, is compatible with the organization design of new organizations. Such organizations have cross-functional and cross-hierarchical teams. They are centralized and flexible, with low formalization and somewhat looser control" p. 5	Sharon Pande and SwapnalekhaBasak
Introduction to organizational behaviour	"organizational behavior is usually studies in the context of organizations (as entities) and is focused on the formal rather than informal dynamics within organizations" p. 14	Michael Butler and Edward Rose
Essentials of Management (Indian edition)	"Organization has a purpose and is made up of people who are grouped in some fashion" p. 4	Stephen P. Robbins, David A. Decenzo, Sanghamitra Bhattacharya, Madhushree Nanda Agarwal
Organizational behaviour (Indian edition)	"organization, which is a consciously coordinated social unit, composed of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals" p. 5	Stephen P. Robbins, Timothy Judge NeharikaVohra
Organizations: structures, processes, and outcomes (Indian edition)	"…some combination of the following four elements: (1) two or more members, (2) a goal or set of goals that guide members' activities, (3) distinctive roles assigned to different members, and (4) an authority system that is accepted as governing decisions"	Pamela S. Tolbert, Richard H. Hall
Organizational behaviour: Key concepts, skills and best practices (India edition)	"Management is the process of working with and through others to achieve organizational objectives in an efficient and ethical manner" p. 6	Angelo Kinicki, Robert Kreitner

were obligated to their corporate patrons and the Ford Foundation (Hall 2005; Prasad 2015). This version of Management (indicated with a capital M) practice and theory has transformed into an ideology of "Managerialism" with support from its Siamese twin—the American version of capitalism. Virtually, every other type of

Management now carries a prefix or a suffix including the famous Japanese style of Management which ironically has been commandeered into the service of Managerialism to maximize shareholder value. As an ideology, Managerialism is characterized by

> …a scientistic construction of the Managerial mandate; elevation of economic discourse into unchallengeable fact; the occlusion of ideological difference through absorption, calumny, and evasion; … and the seepage of Managerialist discourses and practices into ever more remote and hitherto marginal corners of the world (Murphy 2004).

This ideology is practically indistinguishable from its American capitalist version "market Managerialism" which insists that "only markets run by professional managers can efficiently organize human interaction" (Murphy 2004; Parker 2002). These therefore are the broad ontological and epistemic contours of "Management."

How has this ontological status of Management served human kind? It has led to enormous wealth creation. One could not have dreamt that from 1950 to 2000 global GDP could have increased by 800 %[5]. Greer and Singh (2000) writing for the Global Policy Forum find that the 300 largest transnational corporations (TNCs) control a quarter of the world's productive assets. Size of the TNCs as measured through annual sales far exceeds the GDPs of many a nation's economy including those of industrialized countries. "Together, the sales of Mitsui and General Motors are greater than the GDPs of Denmark, Portugal and Turkey combined, and US$50 billion more than all the GDPs of the countries in sub-Saharan Africa." From the 1950s, technological and financial advances have accelerated internationalization and have led to oligopolistic consolidation of TNCs globally. TNCs control 70–80 % of world trade outside centrally planned economies.

> In 1970, there were some 7000 parent TNCs, while today that number has jumped to 38,000. 90 percent of them are based in the industrialised world, which control over 207,000 foreign subsidiaries… The large number of TNCs can be somewhat misleading, however, because the wealth of transnationals is concentrated among the top 100 firms which in 1992 had US$3.4 trillion in global assets….[6]

This amazing generation of wealth has been almost profligate since global inequality has gone up and unemployment figures remain at historic highs in many regions. The severity of the impact on employment and livelihood comes across when consideration widens to include factors such as labour force participation, long-term unemployment, wage levels and involuntary part-time work.[7] Industrial advancement has also put us on the brink of climate change and social unrest.

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[5]Global Poverty Rates and Economic Growth <http://rogerpielkejr.blogspot.in/2014/01/global-poverty-rates-and-economic-growth.html>. Accessed June 7, 2015.

[6]A Brief History of Transnational Corporations. <https://www.globalpolicy.org/empire/47068-a-brief-history-of-transnational-corporations.html>.

[7]World Economic Situation and Prospects 2016: Global Economic Outlook <http://www.un.org/en/development/desa/policy/wesp/index.shtml>.

As many a critical scholar has argued, by celebrating the idea of shareholder wealth maximization on a quarterly basis, Managerial ideology has legitimized the unbridled plunder of nature including human existence[8] and work life in the amoral pursuit of efficient value extraction. It is beyond the scope of this essay to specifically delineate the causal connections between Managerialism and the crises of contemporary world (readers may usefully approach the accumulating body of work in the critical Management studies domain for this.) "By propogating ideologically inspired amoral theories, business schools have actively freed their students of any moral responsibility" (Ghoshal 2005). By positioning the interests of the organization—the empty reified legal carapace as the superordinate entity in which the concerns of the mythical principal, the shareholder, are congealed—Managerialism has made it possible for Managements "to have the power to interfere in the choices" of workers, employees, societies, nations and even ecosystems "with impunity and at will" leading to absolute domination (Pettit 1996). The absence of any meaningful countervailing power in this schema has enabled the massive plunder of social and natural existence through market Managerialism's mechanisms of dispossession, destruction, displacement and death as evident in a range of instances from the financial crisis to genocide in regions of resource extraction. This has put "Capitalism into question" (Academy of Management Annual Conference theme in 2013), prompting even the mainstream Academy of Management to ask the question: "What kind of economic system would this better world be built on?" in order to fulfil its vision statement, "to inspire and enable a better world through our scholarship and teaching about Management and organizations."[9] Such questioning has also led to adaptations, revisions and reinventions of Managerialism such as corporate sustainability and corporate social responsibility.

It is this kind of Managerial capacity and Management education that India has been endeavouring to develop over the last fifty years. The history of this effort can be traced to the founding of Administrative Staff College of India (ASCI) and the subsequent setting up of Indian Institutes of Management in Ahmedabad and Calcutta. The following section traces some of this history and borrows heavily from Hill et al. (1973) and Sancheti (1986).

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[8]Management literature has usually distinguished between physical and natural environment. Only natural environment has been associated with plunder in this literature including the sustainability strand. In much of this literature, man and environment are seen as different from each other. In referring to nature here to include human existence and not distinct from the natural environment, I wish to foreground that Indian sensibility which sees human existence as a part of nature where the relationship between the part and the whole is neither singularly harmonious, adversarial or dominating, but a blend of different possibilities.

[9]Academy of Management Annual conference. <http://aom.org/Events/2013-Annual-Meeting-of-the-Academy-of-Management.aspx>.

Management Education in India: Genesis and Contemporary Practice

In 1953, following recommendations of the AICTE, a permanent Board of Management Studies was set up, and during the period from 1953 to 1957, seven Management programmes were approved by this board, business administration programmes were meant for students of arts and commerce, and industrial administration programmes were meant for engineering students. The committee also recommended the setting up of ASCI in 1953. ASCI was modelled on the Administrative Staff College at Henley in England. It was promoted jointly by the Government of India and private businesses, and memberships were used to raise funds, and several short-term programmes were offered to working executives to build their Managerial capacity. In the early years of founding, ASCI had been quite successful and had received support from both public and private sector firms such as Life Insurance Corporation of India (LIC), State Bank of India (SBI), Bata Shoes, Hindustan Lever, Imperial Tobacco and Esso (Hill et al. 1973: 11–13). Ford Foundation that had just come into India at that time had extended some funding support to ASCI. As archival records of the Foundation show, its head in India at that time, Dr. Douglas Ensminger, was "aware of the (sic) India's Managerial manpower deficiency as early as 1952" (Hill et al. 1973: 46). Ensminger had initiated a vigorous and systematic effort to persuade Indian leaders about the desirability of American style Management education. They reasoned that "A nation's progress depends on its capability to organize human activity. Progress in economic development will require effective organization in many activities. Effective managers are the key to building economic and enterprise (sic) organizations required in economic development" (Werts, Leo in a Ford Foundation Report, cited in Sancheti 1986: 292).

Discussions began as early as March 1955 between Ensminger and Prof. Humayun Kabir, who was Government of India (GOI) minister for Scientific Research and Cultural Affairs (Hill et al. 1973: 15). Reporting on his persuasions in a letter dated May 15, 1957, to TM Hill of the New York office, Ensminger wrote "*… these programmes are of strategic importance to India's development, they have been formulated in the closest possible cooperation with the Planning Commission and the Ministers concerned*" (cited in Sancheti 1986: 85). During this period, the Foundation had also through various grants, provided Management training to ASCI, set up the All India Management Association (AIMA), sponsored an annual Advanced Management Seminar held in Srinagar by professors from Stanford and sponsored Indian participation in Advanced Management Programme in the Philippines. In addition to these, two expert teams were commissioned by the Foundation to study the situation in India and suggest the setting up of a Management institute—the Professors Meriam and Thurlby Report and the Dean Robbins Report. These reports were commissioned to "make recommendations as well as to develop "within the nation's business leaders," a broader base of understanding and appreciation for India having a center or centers for training in

Management" (Ensminger Report, cited in Sancheti 1986: 86). While the first Meriam–Thurlby Report made very broad and general recommendations, it was the latter report by Dean Robbins that practically provided the blueprint for setting up the IIMs.

The nature and detail of recommendations encompassed examining the need for a Management centre, its location, its legal and organizational design, its staffing, its curriculum and its objectives and goals; practically, everything necessary for setting up the institute was included in Dean Robbins' report. In between the commissioning of these two reports, Ford Foundation had also supported the visit of an Indian study team to the USA to examine possible alternative institutional options for Management education. The members of this team, "…the thirteen men, located strategically in business, universities circles and in government throughout India can be expected to give effective support to…the strengthening of this field in India" (Ford Foundation correspondence cited in Sancheti 1986: 86).

The discussions from 1955 to 1959 pertained to the setting up one institute in Bombay, under the auspices of the University of Bombay. But very quickly in 1959, the proposal expanded into setting up two institutes with one of them in Calcutta. Ensminger's specific recommendation of setting up the institute as an autonomous one outside the influence of the university led to the pull out of University of Bombay[10] eventually leading to Ahmedabad replacing Bombay. Thus, IIM Calcutta was incorporated in 1961 and IIMA a year later. The American technical collaborators—Harvard University and Massachusetts Institute of Technology (MIT)—brought their course outlines, curriculum design and initial faculty. Only the directors of the institutes were Indian for expedient political reasons (Hill et al. 1973; Sancheti 1986). The Foundation and the technical collaborators in the project specified the admission and selection procedures as well. In fact, the Common Admission Test (CAT) for admissions to IIMs in vogue even today in more or less the same form was adapted from the American Graduate Management Education Test based on a Foundation grant of USD 20,000 (cited in Sancheti 1986). Even though it was common knowledge then that English proficiency would not be available to many worthy students in India, the selection procedure had specifically insisted on English. These procedures led to a very elitist student base for Management education. At the time of setting up the IIMs, the technical collaborators had said that they did not find any Indian model and hence had to bring in the American model of Management. This assertion was hardly questioned by India during the incorporation of IIMs. In the eagerness to set up the institutes, India forfeited the opportunity to influence the content of Management education. The technical collaborators specified the contents to be taught, "Management concepts and Practice, including the detailed study of Management functions of planning, staffing … Major Operational areas of Enterprises—Marketing, Production, Finance, and Personnel—viewed in their functional,

[10]The primary argument that had been made in favour of setting up of IIMs as autonomous organizations was that it would give the institutions flexibility and enable them to avoid the highly bureaucratic and hierarchized university system and thereby enable them to be more effective.

institutional … Tools of Management Analysis, Quantitative methods of statistics, accounting operations research and systems, and decision-making…" (cited in Sancheti 1986: 118).

Thus, the modernist aspirations of a modern Indian leadership under Nehru with active guidance from Ford Foundation and its technical collaborators, the MIT and Harvard University, manifested in the dawn of American style Management or what we recognize as Management education in India. These IIMs explicitly aimed at developing people for Managerial careers. Dean Robbins in his report identified some of the goals of the proposed institute as:

(i) To select and prepare outstanding and talented mature young people for careers leading to Management responsibility.
(ii) To provide opportunities for practicing executives in middle and top Management to obtain training and education in Management knowledge, attitudes and skills (cited in Sancheti 1986: 35).

The American technical collaborators celebrated this immediate career focus in Management education and practically loathed upon the liberal tendencies in existing programmes in India which they saw as an undesirable consequence of the British emphasis on liberal education. Thus, the Foundation and the technical collaborators were dismissive of the Management degree offered by the Indian Institute of Social Welfare and Business Management (IISWBM), an autonomous society affiliated to the University of Calcutta way back in 1953 itself (Hill et al. 1973). The education at IISWBM had aimed at providing the "participant a liberal business education and simultaneously prepare him or her for their chosen career." Similarly, the commerce departments of Indian universities (the first of which was established at Sydenham college in Bombay in 1913) were seen as catering to a student base of "poor quality," i.e. not the top Management cadre, and operating in a system that was delinked from real business (Hill et al. 1973). Even ASCI which had received very good industry support was seen as competent at meeting the needs of only lower rung managers and not senior Management. The senior Management was getting an experience of American Management through the Annual Management Seminars at Srinagar. Xavier Labour Relations Institute's (XLRI) programmes which began from 1949 were seen as industrial relations focused and not complete Management.

In the shifting locus of expertise from England to USA, from British liberal education to American practical education, thanks to the post-World War II balance of power, independent India with a modernist leadership forfeited its chance to get closer to its own realities. The Foundation's experts said that Indian business and development needs were "different from what they were familiar" with and urged the setting up of a '…program closely attuned to India's needs rather than an attempt to transplant any existing foreign program…" (Merian–Thurlby Report, cited in Sancheti 1986: 34). Even Dean Robbins's recommendation listed one of the aims of the proposed institute as "to develop an Indian literature in Management through research and publication of studies centered about the nature and role of the enterprise unit in India and relate it to world literature" (cited in Sancheti 1986: 35). But finally in the process of technical collaboration, the experts MIT and Harvard did not find any model of Management in India and therefore orchestrated importation of their system.

In their search of Management practice in India, the technical collaborators only saw the British and Scottish style Management practices in the Managing Agency Houses of the early independence period. The British systems were out of favour with the Americans both due to "balance of power" reasons and for British orientation towards liberal education. Even with the leadership of newly independent India, the British and Scottish practices which thrived on overt racism and stifling paternalism of rigid formalized hierarchies found disfavour. Thus, the importation of the American model was also welcomed by some of the political and business elite (Srinivas 2008, 2013); especially, the large non-family businesses of India where the British folk had a substantial business interest in the past can be seen in the composition of the businesses that had patronized ASCI. Non-resident Indian academics of Management also seconded and promoted the desirability of Western Management (Negandhi and Prasad 1968). Along this way, India got constructed as a society which did not have any home-grown Management (small m used here to indicate the difference in these practices from Management).

Thus, the efforts of native managers and supervisors[11] (otherwise known as jobbers) working in the factories or even business owners prior to and after independence were rendered non-Managerial. Their *Managerial* processes and systems of managing resource flows, operations, workforce and finance were all based on customary, informal and embodied practices. These embodied and personalized systems of negotiated interactions and reciprocity where work and non-work intermingled were governed through neighbourhood and personal relationships and dense availability of information and accommodation of the human and social needs of the stakeholders (Morris 1965; Chandavarkar 2002; Birla 2008). All these practices were made illegitimate and invisible in a single stroke. Even though these home-grown systems created business value (Wolcott and Clark 1999) while preserving social value of communities, they were criticized as inefficient practices by the colonial experts and rulers before Independence and later by the American experts. In colonial India, several visiting experts of Taylorian practices found Indian shop floor and worker Management practices completely unsatisfactory, lazy and inefficient (Morris 1965). Other European managers understood the embodied, personalized systems of negotiated relationships as expressions of paternalism and concluded that the Indian workers were truant and ignorant children who had to be dealt with a firm hand in order to secure the interests of the business (views of noted British industrialists in colonial India Sir William Benthall and Sir Alexander Murray cited in Chakrabarty 1983).

[11]Of the different types of enterprises in India in the preindependence times, most of the Managerial positions were occupied by Europeans. The supervisory or jobber positions were manned by Indians. But in the textile industry of Bombay, both Managerial and supervisory positions were manned by Indians.

Such “illegitimization of practice” was not limited to workforce and shop floor Management practices but encompassed financial and associational practices also. The series of legislations—Societies Act, Trust Act, Companies Act, Trade Union Act, Industrial Disputes Act and so on—enacted by British in the period after 1860 repeatedly rendered customary Indian business and Management practices illegal (Birla 2008). These notions of illegality continued into the postindependent era with legacy legal systems firstly and later globalization. In combination with Managerialism, these “notions of illegality” formed a potent discursive force which silenced Management of the Indian kind.

Affirming in Denial: Making Managerialism Indian

While Management began with and continued to consolidate its discursive dominance, it was not completely unchallenged. On one side, such resistance took the form of everyday practices of the new IIMs asserting their operational autonomy from the technical collaborators and Ford Foundation leading to even cessation of funding from Ford Foundation. One of the other side, some the academicians soon started realizing and questioning the relevance of completely Western notions of Management—especially in the domain of people Management and organization behaviour. Scholars such as Udai Pareek and T.V. Rao extended the practice of personnel function and transformed it into human resource Management.

Their work actively highlighted the need for enabling the employee to grow instead of focusing only on work performance. They also outlined mechanisms for managing people in such a manner. In the broader disciplines of psychology and sociology as well, there were efforts to identify particularly Indian exceptions or variations from the mainstream. Management did not remain unaffected by this nativist turn. Writers like J.B.P. Sinha (1982) emphasized the cultural differences of Indian workforce as lacking in ambition and a hindrance to economic development and work organization and therefore the need to change Western motivational approaches in this regard. Other writers examined the psychoanalytic consequences of the Indian’s religious and caste identifications (Kakkar 1979, 1982; Paranjape 1975; Sinha 1964) and thereby its implications for organizational behaviour and economic development. Speaking during that era, Hiten Bhaya, ex-director of IIM Calcutta, said:

> There is a need for replenishment of indigenous material of fundamental, functional and applied nature. This can only be done through research. The kind of research mostly carried out has been the application of some Western models and hypotheses to the Indian situation. This, I felt, was not good enough. There was need for more research in behavioural areas like motivation, etc., which are more culture-specific (cited in Sancheti 1986: 43).

A third track of resistance to Western Management developed in the work of scholars such as Chakraborty (1991, 1995). This strand of work sought to incorporate elements of spiritualism into improving workforce Management and reduction of workplace stresses. Broadly framed as value-based Management, this strand spilled over into ethical perspectives and sought to reduce the stresses of workplace by emphasizing spiritual aspects of work (Rao and Murthy 1975). The Management Centre of Human Values (MCHV) at IIM Calcutta was also set up for the purpose of examining Indian mythologies, scriptures and history to develop leadership lessons for Management. A significant volume of non-academic writing of this kind also developed in India.

These indigenizations highlighted the Managerial need to tap into native sensibilities of the ethic of the "worker" and the "employee"' for effective work performance. They, however, left unscrutinized the "employer" ethic or "Management" ethic modelled on the Western profit maximizing corporation. The paradigm of shareholder value maximization, profit maximization and instrumental view of everything as a resource was unquestioned. The Indian ethic of work became applicable only for the employee and not the employer. The appropriation of Indian texts and native sensibilities by these Management scholars was selective and stressed only the submissive and devotional aspects of work and emptied them out of all their tactical and political repertoire, rendering the Indian worker/employee docile and defenceless against an amoral corporation. To the extent that these indigenizations did not apprehend the meaning of "organization," "business owner" and "Management" in the Indian sensibility but only contextualized the "worker" and the "manager" inside the decontextualized "organization", such indigenizations inadvertently became the handmaiden of Managerialism and permitted greater exploitation of the Indian employee and worker. Some scholars have even termed this indigenization as a quest for identity in which the West continues to be the reference point (Srininvas 2012). In all these attempts at resisting and Indianizing, the epistemic and ontologic dominance of Management and Managerialism was never questioned.

Contemporary Management Practice

The epistemic and ontologic domination of Management was not questioned then, and it is not questioned in today's globalized context. Today, all pretences of resistance have also disappeared in the rush of Indian Management institutions to become global Management leaders. If at the founding moments of IIMs, one nurtured the fond hope that over time Indian material and content would be generated, all those hopes have dashed now. In the early years after the founding of IIMs, there continued to be a keen interest in developing the nation, in building the country and in doing whatever was necessary for taking care of its people. "Whatever was necessary" included learning modern Management and applying it for the nation's sake. This sentiment was echoed in the mood of the convocation addresses at IIMs during the period. It was also evident in the observations and deliberations of the IIM review reports of 1981 (Nanda committee) and even as late as in 1991 (Kurien committee). Clearly until the 1990s, IIMs were considered as institutions producing Managerial talent to serve the needs of the nation even though some of its graduates joined multinational organizations.

With the coming of liberalization and globalization in the 1990s, the mood of the country's leadership changed. The era became more and more characterized by a growing global orientation and competing globally as an economy, as a polity and as a society. This global orientation permeated even the IIMs. The deliberations of the IIM review committee of 2008 unhesitatingly underline the global orientation of IIMs and lay the framework that would presumably make the IIMs global leaders. The agenda set forth in these deliberations highlights international expansion and the need to fare well in global business school rankings—a goal which the report argues could be materialized through research leadership. The nationalist flavour of the previous assessments became conspicuous by its absence. Rather, one could possibly argue that nationalist sentiment now meant becoming a global business school from India very much like multinationals emerging from India competing globally. This transformation in the agenda brought its own consequences. If earlier, the issues of Management were local, but the frameworks were imported, in contemporary times, even issues have had to be imported because only that would guarantee that the issue would be globally relevant. A locally relevant issue faced a high probability of being termed parochial in the global arena and therefore was unfit to provide greater publishing leverage. For instance, a reviewer comment from an international journal writes "The case's focus on the role of corporate grant subsidy for project development is relatively interesting in today's entrepreneurially driven non-profit funding environment" (reviewer comment on manuscript id no. ACRJ 2151203). The case deals with the important issue of non-profit business collaboration following the new Companies Act of India 2013; however, this does not elicit international interest. To create and sustain international reception for publishing from India, in order to build research leadership IIMs and other Indian Management, researchers have to start looking at problems in India from the international angle. For instance, international business has become more about how to enter an emerging market as against how an Indian multinational can enter a developed market or some other country. The perspective for instance remains "Google in China" and not "India entering Malaysia" or "Indian corporation entering the USA."

If research agenda has thus been dominated, teaching has not been left unscathed. If earlier, one nurtured the belief that Indian context was different, today, one tends to see all contexts as similar due to globalization. The Harvard Business School (HBS) case repository forms the bulk of the learning material as also textbooks which are written by respected international authors. Even if cases on Indian businesses are used, these again are from the HBS repository where the cases are written from a Western perspective for a Western audience. At one of the top IIMs, of the 27 textbooks used in the first year only four are by Indians (even in these, the premises and theories are unquestionably still Western!), the rest of the books are all by international authors. Some have Indian editions with adaptations by authors from India which trivialize the idea of indigenization with an illustration of Bill Gates in the textbook being replaced by an Indian business leader for instance. This phenomenon which some academic colleagues have termed "vulgar indigenization" appears to be more of a response to market dynamics and intellectual property regimes rather than any kind of indigenization per se. In fact, the internationalness of the curriculum is invoked as a badge and certificate of the world-class quality of Management education being offered in these institutes. As one senior faculty of IIMs put it in the context of AACSB Accreditations, "IIMs have the most internationalized of all curricula—all their teaching material is from outside the country!"

If the Nanda Committee had lamented the wastage of national resources manifest in the IIM training, with students receiving subsidized engineering education first and then subsidized Management education only to join Western or private Indian businesses modelled on the West neglecting the Managerial needs of several sectors such as agriculture, public sector and small enterprise sector (AIMA study of 1975, cited in Sancheti 1986); the scene has not changed much today with foreign MNCs remaining the most coveted employers of students (Varman et al. 2011). Even today about 25–35 % of Management graduates join these global firms, and while it is difficult to say whether this offtake has reoriented the training to global needs as described previously or the reoriented training has opened up the offtake by global financial firms, there does appear to be a relationship between the two. I wonder why we have lost sight of the fact that close to 60 % of the Management graduates from these top Management schools actually work in Indian firms in the Indian contexts whether public or private. I wonder whether we have even been able to equip them sufficiently for this purpose given the overwhelming orientation of our Management curriculum to Western priorities. In the 50 years of Management education we have had, we have only become more perfect at subordinating ourselves to a metropolitan centre. Our sensibility of and for *Management* has been heavily clouded by Management, so much so that nowadays we not only talk of professionalizing family-owned businesses but even reforming all those segments of our economy and society where *Management* might still be present—namely the informal and unorganized sector such as artisanal, agriculture, small- and medium-scale enterprise and inducing Managerial orientation in them. Probably, even Ford Foundation would not have anticipated this success!

Straddling Two Worlds: Being a Management Teacher Today

As a Management teacher in one of the most prestigious Management institutes of the country, I live and become the site of the everyday conflict between my native sensibilities and the epistemic domination of my discipline. As a member of this professional community, I am tasked with the responsibility of teaching Management to tomorrow's managers. But it is only with a great sense of unease that I practise this responsibility. In being a teacher, I am straddling two worlds. In the world of Management education, I am a foot soldier who dutifully executes and conveys the knowledge received from the centres of power. In my “other” world, I am a native teacher who is responsible as the custodian and patron of native knowledge and Management. This straddling of two worlds makes me a very hesitant teacher. Sometimes when students want to know whether Erikson’s identity crisis explains the mentality of Indian youth who put fulfilling family expectations above personal career aspirations, I feel hesitant to side with Erikson or his colleagues. I feel like being on the side of the questioning student. There are many Indian psychologists who have asked similar questions, but the whole conversation has occurred outside Management, so I can not appropriate that easily.

At other times when I stand in class sharing the finding that Indians are high on the personality trait of “self-monitoring.” I am not sure that the observation of literature is free from a value judgment of the Indian psyche. I can only speak with equivocality—a part of me teaches the book, a part of me suspects it. When I teach industrial history and Management, I am tormented by the question: Did this happen in India? And when I talk of power and politics, I experience a schizophrenic split, where an “another” mouths the lines of “A having power over B” and the adverse consequences of politics for organizational work. The real me wants to speak about the political repertoire of the Indian, informed as he/she is by the wisdom of the ages travelling through folklore, mythologies and literature and the workplace dynamics that emerge from it, but this “me” has to hide because this knowledge is illegitimate. Only Dhal and French make a legitimate curriculum in/of power! The only means by which I can remedy my schizophrenic existence is by engaging in a search for alternatives and creating these alternatives in pedagogical techniques, in teaching material and in theory.

Standing in a classroom teaching organizational behaviour concepts (whether micro or micro) from books and studies which do not recognize the Indian existence, I am at a loss to defend that knowledge during a classroom scrutiny. It is only by undermining the authoritativeness of that knowledge itself and my own authority as a teacher who imparts that knowledge; by mocking myself and my theory; and instilling the spirit of a coinvestigator that I build my solidarity with students who probe concepts for their relevance to the experience of my society. It is in scrutinizing Management in the light of anecdotal everyday experiences, along with my students (instead of teaching my students) that I am able to find my wholeness. It is by producing cases and illustrations informed by native sensibilities that I am able to engage with the student’s curiosity much more meaningfully. It is only after discovering the *Management* practices in the Indian-owned textile mills of Bombay in the end of 1800s and early 1900s does industrial history become manageable for me. The discovery gives me the confidence to teach Industrial history of the West as a “local history of Europe” and the Bombay textile mill as the “local history of India.” I still need to teach the “local history of Europe and its knowledge” because only then would it be called Management education in a world racing for *Financial Times* (FT) rankings. Such is the intellectual subordination I inhabit. And I know that I am not alone.

Imaginations of *Management* Education for the Future

With the kind of epistemic subordination, we have accomplished for ourselves, we might even begin to question whether there is any meaning in thinking of a future of Management in India. The question appears illogical. But politics is about possibilities, the possibility of provincializing Europe. And the geopolitics of knowledge is about the ethical possibility of redressing epistemic violence. It is about the possibility of decolonising knowledge and breaking free from the epistemic violence of subordination. The fact that academics like us can talk about local histories of Europe and India in our classrooms attests to such a decolonising possibility, a possibility that our intellectual subordination is not complete, even though we have been dominated.

The dominating and colonizing process in knowledge has been shown by several thinkers and writers on geopolitics of knowledge from Latin America such as Dussel, Glissant and Mignolo who have interrogated Eurocentric epistemologies and ontologies. Walter Mignolo has argued that coloniality is not a consequence of modernity, but in fact constitutive of modernity and exists as modernity/coloniality that the Spanish colonization of Latin America 500 years ago made modernity possible. Studying the geopolitics of knowledge, Mignolo has demonstrated that the idea of epistemology and its Eurocentrism represents the coloniality of power. The idea of the colonial difference "reveal[s] the way in which power has been at work in creating the difference (that is, the way in which colonialism creates "backwardness" both materially and ideologically) as well as the way in which colonial power represents and evaluates difference" (Alcoff 2007: 87). The colonial difference makes the metropolitan centre of the West as the locus of enunciation and thus its epistemology, methods and categories as the only possible ways of enunciation. Through this, local histories of Europe turn into global designs. The colonial difference legitimizes subalternization of knowledge and renders the non-West as only producers of culture, incapable of producing knowledge (2000: 5–16).

It is such colonial difference that has rendered *Management* practices of India as the absence of Management, the "most important form of epistemic coloniality in the last 150 years" (Ibarra-Colado 2006). The colonial difference is not restricted to economic or social differences but includes epistemic differences. As Mignolo (2000) says, epistemic domination has been so intense that even language does not exist to express these differences, for instance "episteme" has taken over and subordinated all other forms of knowing that are still in practice in different parts of the world. All the other forms of knowing of gaining knowledge have been reduced to "folk" wisdom or "gnosis" and denied the status of "real scientific knowledge." In this process, "what is under dispute is our capacity for intellectual autonomy and our capacity for seeing with our own eyes and thinking in our own languages (Spanish, Portuguese, Nahuatl, Aimara, Zapotec, Quechua or Mapuche), even though sometimes we must write in English" (Ibarra-Colado 2006).

In imagining a future for *Management* education in India, it will therefore be necessary to recognize this colonial difference. It is only after recognizing our subordination to Managerialism, can we think of effectively leveraging this subordination to make decolonizing gains. Decolonization of knowledge is not about abandoning one set of knowledge—the Eurocentric Managerialism for another set of knowledge—like *Management* in an uncritical, unreflexive way. This would be as barbaric as colonization itself! Decolonization of knowledge can be accomplished only with a respectful acknowledgement of the differences in ways of knowing, ways of living and the life worlds of different societies. It begins by *delinking* (Mignolo 2006) from Western epistemic categories and examining phenomena from other sets categories including those of the once colonized.

Thus, decolonizing Management would mean seeking to understand practices in India from perspectives other than efficiency or profiteering that are central to Management. It would mean unshackling ourselves from the notions of manager, organization and Management. It would mean recognizing the traditional and customary roles of business and elite in our society, their politics, their ethics and their pragmatics. It would mean recognizing the traditional notions implicit in the employer–employee relationship in India, its politics and its ethics. It would mean recognizing the legal violence these relationships have endured in the process of colonization and modernization and now globalization. It would mean recognizing and respecting the perspectives of those who are practising—the workers, the *sardar*s, the owners, whether they be "making a living," "getting along," "making profits," "taking care," "settling down," "satisfactory profits" or whatever else. It is recognizing the wisdom informing these actions of the Indian people and not seeking to subordinate them to Eurocentric categories but dispensing those categories if necessary and creating a fresh vocabulary that honours the once colonized's capacity to "*manage.*"

For instance, in a recent consulting engagement, I happened to encounter a CEO of a Rs. 4 billion business. While we were discussing, an assistant walked in with a diary and an envelope of money on which he signed and then the person quietly left. The CEO explained that it was one of his employees who was returning some personal loan he had advanced. My theoretical training prompted me to classify this behaviour as a "personalized system of authority in the workplace," which undermines the effectiveness of the organization. But native sensibility nagged me to probe more. Upon exploring this incident further with him, I learnt that he believed that it was his bounded duty to help his employees who were in need. He believed that it would be inappropriate on his part if he, as a man of means, did not become useful to those around him who were in need. By framing the incident as a "personalized system of authority," I was certainly glossing over this understanding of the moral and social responsibility of the "person with means," or "business owner." When I suspend this framing, several things start becoming clearer. The CEO was conscious of his responsibility towards his workers. He was also conscious of the limits of the capitalist enterprise in enabling him to pursue this responsibility.

The capitalist enterprise on the one hand made it easy for him not to fulfil this responsibility at all, since he was not legally obligated to advance any loan for personal needs to his employees. On the other hand, it made it too costly for him to fulfil this responsibility by locating it inside the enterprise as a formal policy because he would either have to make it universally available to all employees and open it to improper use increasing his employee costs in the process, or be accused of interference in the personal affairs of employees.

However, by choosing to locate his loan to workers outside the enterprise in the domain of the social relations between those with means and those without it, he was not only honouring his social and moral responsibility but also managing to keep his business competitive. In invoking this social space, both he and the worker not only limited their subordination to a capitalist logic but also ensured that more fine-grained information of the need and the support required could be factored into the decision-making guarding the process against abuse. Any obligations that were generated in this process remained effective in the social space outside the reach of the legal and economic processes of contract and its enforcement. One could argue that this process ultimately hinges on the moral strength of the CEO and that the employee cannot claim it as a right. Yes, this criticism is valid; however, this criticism does not take into account the fact that the social prestige which the CEO enjoys rests not only on his Rs. 4 billion business but more importantly on his ability to satisfy the claims that are made on him by the community on an ongoing basis. To that extent while the employee does not have a right to make a claim on the CEO, he/she does have the ability to withhold respect or grant prestige to the CEO, something which the CEO cannot coerce out of the employee.

Thus, delinking from Eurocentric categories and unshackling ourselves from some of these sedimented categories such "personalized system of authority" in the above instance open up the possibility of alternate explanation and theorizing from other perspectives which could lead to decolonization of knowledge. Such decolonization of knowledge may or may not provincialize Europe, but it could at least provide ways to rescue and transform Management out of the social, economic, political and ecological crises it has perpetuated on this world and on itself.

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From Management Institutes to Business Schools: An Indian Journey

Anup Sinha

Abstract Management education began in India with the purpose of creating leaders of an emerging industry led by the large public sector units. People with management education would be the vanguard for social change. Things became different after the opening up of the Indian economy especially the reforms of 1991. The earlier creed was to have managers who had problem-solving skills as well as an understanding of the broader contours of India's society and polity. In the current era of globalized industries and cultures, the focus has shifted to understanding better the dynamics of private business and large corporations. In the process, there has been a considerable dilution in the need to understand the deeper aspects of India's society and polity. Apart from this shift, the continuous need for acquiring new skills has become extremely important in a world where technologies and business models become obsolete at astonishing speed. In this haste to acquire new knowledge, the important element of critically reflecting on society's larger problems gets sidelined. These deficiencies have made this branch of knowledge less effective in contributing to the making of a better society for the current as well as future generations of humanity.

Keywords Management education · Business education · Social change · Critical thinking

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Changing Times

There have been considerable changes in management education since the advent of economic liberalization and the opening up of the Indian economy in the early 1990s. The changes have been marked by the rapid growth in the number of institutions offering an MBA or a post-graduate diploma in management given the sharply rising number of applicants for such education. Alongside the growth in numbers, there have also been changes in the curriculum, the technologies used in learning, and the way these institutions are governed. In this paper, I will focus on the latter set of issues and not discuss the complex reasons for the explosive growth of management education. The growth of numbers has had one important effect worth mentioning though. An important implication of the liberalization of the economy was the commercialization of education in general, more particularly branches of technical education like engineering and management. With the promise of more skilled jobs available, students were ready to pay a hefty price to procure engineering and management degrees. Investors viewed the opening up of higher education as an opportunity for short-term gains. Like all market opportunities, demand created its own supply. The distribution of the quality of management education across these large numbers of institutions, however, is quite skewed. There is a small set of good institutions followed by an equally small set of mediocre institutions, which is followed by a very large residual set of poor-quality institutions. Regulating this large and diverse set of institutions with a huge variation in quality is not an easy task. The government—mainly through the Ministry of Human Resource Development and the All India Council for Technical Education (AICTE)—has tried in vain to find sweeping solutions that ostensibly fit every type of institution.

Changes have not been merely in terms of number of institutions. Curriculum content, learning technologies and governance have undergone substantial modifications. During the past twenty-five years, there has been a rise in the demand for technical and professional courses, and comparatively a significant decline in the demand for pure science and liberal arts courses. Job opportunities, mainly in technical and professional domains, have increased with the coming of the IT age, and the opening up of the economy has led to international companies making global job offers. The classrooms look different with students using less and less of hard copies of books and depending more on multimedia and Internet sources for knowledge and information. There has also been a general decline in the attention span of students with net surfing and texting occupying a large amount of classroom time instead of listening to the instructor or trying to follow the course of a lecture. Not surprisingly, these general trends have affected management education too (Rao 2005).

One final comment before we turn to specific issues in management education. The costs of higher education, especially the costs of technical education, have gone up by a large multiple of what they were at the start of the decade of the 1990s. This trend has been particularly strong in the case of management education where fees of over one million rupees per annum are not uncommon. Salaries, after obtaining a management education, have also increased manifold. Credit markets have eased, and getting a loan for pursuing higher education in management is not very difficult, especially, for those who are lucky or clever enough to make it to the top institutions that offer management diplomas or degrees.

The Roots

To fully appreciate the changes since 1991, it is important to go back a bit to the 1960s when management education began in India. Professionally trained technical experts were required to manage large organizations in the public sector—the "temples of modern India" as Prime Minister Nehru had described them. Private industry was expected to play a subsidiary role to the large and growing public sector. The British colonial model of running businesses was on the way out as were the companies themselves. The age of the "box-wallah" was over and the managerial characteristics of having a liberal arts education with a good family background and communication skills became redundant. There was a shift of focus in managerial skills towards production and operations and away from sales and marketing. The old British model was found wanting, and India turned to the U.S. model with its emphasis on technical competence and rigorous training in the science of management. A subtle, though basic, distinction was made between "management education" and "business education." Management was perceived to be a much larger domain than running a purely business organization exclusively focussed on profits. Managers of the new era were supposed to be trained people who had a larger social responsibility to help transform India into a modern, vibrant and prosperous economy and society. Obviously, the education imparted would have to be something more than functional skills of finance, marketing or organizational development. It would have to imbibe the manager with a sense of history, of society, and of the larger contours of India's political economy. These were the add-ons to the typical U.S. curriculum of the functional areas of management "science."

Indeed, in USA too there was a sea change in business education in the 1960s as its economy became the undisputed leader in innovation, growth and change. The earlier model of MBA education was criticized for its mediocrity in terms of teachers as well as students. There was neither adequate academic research nor was there any great relevance of that education from the point of view of practical knowledge of running an organization (The Economist 2003). Business schools responded well, and many soon became centres of excellence attracting top-quality academics as well as students. However, soon this model too came under criticism. It was claimed to be too theoretical and not providing adequate industry-based knowledge that would be of use in the day-to-day running of business organizations. Even today, this tension between theory and practical experience remains in USA as well as India where the American model has been followed closely.

The Indian manager of the earlier decades was expected to acquire a set of skills and sensibilities that would help create a shared vision of modern India. Managing organizations was not limited to businesses. They could be arms of government, non-government organizations, municipalities or social projects operating in rural India. In short, the purpose was to create a cadre of technocrats who along with the bureaucrats of the civil service would constitute the vanguard who would lead the nation (not only industry and commerce) into modernity (Burnham 1941). Little wonder then, it was the Government of India that took the initiatives to set up the first big management institutes in the country with help from Ford Foundation and the best known U.S. business schools at Harvard and MIT.

Despite the basic agenda of nation building which led to the creation of these institutes, it emulated the U.S. curriculum and pedagogy from the very beginning. One or two courses were added, as mentioned above, on Indian social structure or economic history as it was deemed necessary to acquaint the Indian manager with the contours of India's complex society and polity. The relative importance given to quantitative techniques and Western theories of management was far greater and was a manifestation of the urgency to follow education practices of the developed countries. In the 1960s and 1970s, the faculty of the institutes was encouraged to go for training in Western business schools, and of course books and journals were overwhelmingly Western. Management education became a set of functional skills —a universal tool box—to be used in practical contexts of project and people management. Contextual knowledge was a less important requirement.

From Blackboards and Brains to Power Points and Pie Charts

Things became different in the 1990s. The institutes that came later did not consider these courses on the broader aspects of society in their curriculum even as a minor add-on. The etymological root of the word "management" lies in the Italian word "*maneggiare*." When translated into English, it means to "handle a horse." The metaphor conveys that managers are in some sense a superior set of individuals who must direct something difficult to control like labour or finances. There is a clear separation between the handler and the handled. This metaphor denies any other context within which this control needs to take place—or even knowing who controls the handlers. Hence, the dominant belief was that there were universal solutions to managerial challenges. Alvesson and Willmott (2012) claim:

> This wisdom ignores or denies the social formation and power-invested purposes of managerial work, as it conceives of management and managing as universal functions accomplished by a 'best practice' set of tools, techniques and systems. The most pressing challenges are addressed by resort to managerial mantras of 'organizational restructuring', 'improved communications' or more 'effective leadership' in the hope that these will provide relevant remedies for more deep-seated problems of social division, normalized domination, routinized exploitation and ecological destruction (p. 21).

Two important changes had great impact in the 1990s. The first was the opening up of the Indian economy that brought foreign companies with global operations into India, and the jobs on offer were international. The second important change was the advent of radically new information and communication technologies such as the computer and the Internet, and a little later, mobile telephones. The nation became economically and technologically more integrated with the rest of the world, particularly the advanced market economies. This changed the aspirations of the students, the expectations from the education they received, the classroom environment including the use of computers and projectors, and a perceptible decline in the attention span of students. The teachers were expected to quickly adapt to the new and rapidly changing environment. The knowledge and use of information technology soon overtook the relative importance of understanding quantitative techniques in depth. Many were now available on the computer and could be used rather mechanically with the click of a mouse. Some teachers felt that the romance of classroom teaching had eroded seriously, and the student–teacher relationship had evolved into one of stakeholder and customer. In the age of global capitalism, everybody and everything became a commodity and every relationship started to be perceived increasingly as a market transaction.

The demand from students was very direct and understandable. They wanted skills and knowledge that would help them get jobs in international consulting firms and even better still, on Wall Street—the ultimate dream of an aspiring manager (Noble 1997). Anything that added value to their curriculum vitae and improved their chances of getting a job was considered worth pursuing. Everything else was useless. The knowledge required for running big global organizations was deemed to be very uniform and structured. New theories of global management came to the fore. Every course was expected to have something about global economies or global management. Faculty members were also expected to create new knowledge and compete in terms of research with their Western counterparts. The number of journals, many of them virtual, grew at an explosive rate. The computer made churning out of numbers quite easy. Hence, the focus of management research in India became the validation of Western theories with local data. Much of the research in management degenerated into mechanical and often shallow empiricism. The requisite of a faculty member being fit to participate in academia was measured by the number of publications. Further, if one had publications in Western journals it was deemed better than if one published in local ones. Some schools even stopped recruiting academics that did not possess foreign degrees.

Needless to add, the governance of these institutions changed too. The new expectation was that faculty members performed in terms of some measurable criteria and if they did well, they would be rewarded monetarily beyond their (quite handsome by Indian standards) salaries. The Western model of corporate incentives was introduced in many management schools, and rewards beyond salary were based on measured academic performance. In the discourse of this particular sector of higher education, the term management institutes became less frequently used, and the term business schools gained ascendancy. The older and more nuanced distinction between the two got blurred.

Another major change in the external environment of management institutes that had an enormous impact was the introduction of evaluations made by the media through periodic rankings of these institutes. The media began to exert considerable influence on an institute's reputation, just like the risk-rating agencies did for national economies. Ranking could have serious effects on market perceptions and hence on the quality and quantity of intake of students. Rankings were based on a mix of qualitative perceptions of stakeholders and a set of quantities of attributes that could be measured but was not easily validated and verified by the ranking agency for all the institutions they ranked, such as the number of books in the library, the average salary obtained during placements or even the number of foreign visitors who came to a particular institute. One could hate rankings and point to a hundred deficiencies, but one could just not ignore their impact. Indian management institutions were reduced to a matrix of numbers and ranks, based on which judgement was formed on quality and worth.

Some major events occurred in the Western economies in the first decade of this century. Two are worth mentioning as they had widespread effects on management education in India. The first was the Enron debacle and the unearthing of widespread unethical practices many businesses indulged in to make a quick buck (not for the shareholders always, but more often than not for the CXOs of the company). The second event was the financial crash of 2008 that shook up Wall Street and the world economy. These events led to a growing criticism of Western business schools' curricula—that they did not teach ethics and social responsibility. No wonder every management school in India began to talk about ethics courses and the teaching of corporate social responsibility. The government of India went one step further. It passed legislation that made socially responsible expenditure mandatory for profit earning private companies. So now business schools have suddenly found that the number of ethics courses has become an important parameter in the ranking process. Adult students are routinely taught not to tell lies, not to take or give bribes, not to cheat, not to hurt helpless people, and of course not to be greedy. However, they are also taught never to lose sight of the primary objective of maximizing profits for the company. Students learn quickly (probably even before they enter the portals of these institutions) that one's contribution to the bottom line of profits would ultimately determine one's position and stature in the organization one worked in.

Another echo that came from Western business schools was about climate change and environmental sustainability. The ranking and accreditation agencies started looking for "sustainability" in the curricula. Hence, again many schools just added a course on sustainability where the essence of the concept was to be able to align sustainability goals as a component of overall business strategy and the term "sustainable growth" was used as a business goal. It is not easily realized that sustainable growth is a contradiction in terms—nothing physical can grow indefinitely. Hence, whatever environmental management can be done has to be done in terms of the existing institutions of economy and society. It is easier to talk about the possible death of the planet rather than discuss any sustainable alternative to the existing economic and social system.

Globalized Wisdom

It is important to understand how knowledge about management is "produced" and why does it always seem to originate in the Western affluent economies. The production of knowledge is closely linked to power structures (see Foucault 1980;

Weiler 2002). It is always the powerful whose knowledge matters. So in the early twentieth century, it was the British that dominated the creation of knowledge followed by the USA. Towards the end of the last century, Japanese knowledge gained popularity. This century, Chinese knowledge appears to be in demand and very likely it will increase its sway on business school curricula. There are important hierarchies in the ordering of knowledge, and centres of power provide as well as draw legitimacy from dominant sources of knowledge. New knowledge then gets quickly commercialized down the hierarchy—Indian academics must publish in Western journals to get a promotion as well as earn a monetary incentive. They must "fit" into the existing scheme of things. Little wonder then that the U.S. model of management science exerts a disproportionate influence over management education since it continues to remain the most powerful economy of the world. Closely linked to this dominance is the continuous change in the relative importance of new themes as they arise out of complicated problems faced by market economies—management of technologies, financial innovation, organizational development, supply chain management, ethics and social responsibility, environmental management and managing in multicultural contexts.

During the past two decades or more of globalization, the resurgence of faith in markets has led to viewing the business environment as a hostile hyper-competitive space where the most ruthless and the fittest survive at the expense of all others. There has been a transition from the "management" vision based on social imagination to a "business" view of modern India during this time. It was driven by both a failure to create a shared vision of society and the global collapse of socialism. Liberalization transformed the narrative of modern India from being based on social formations of democracy and justice, to a more individual one where success was measured by the metric of income and a conspicuous consumption of goods and services. Competition, in today's world, is about survival, not success. The teaching of such perspectives leads to a disconnection from what is believed to be of self-interest on the one hand and issues of morality or ethics on the other, in the context of doing business embedded in a society with many other problems of lives and livelihoods. However, an organization that looks at itself alone, without the interconnections with other organizations and the environment, necessarily ends up destroying itself or the entire environment (Descheres 2014). Students seldom get to see (or are encouraged to see) that business is part of a more complex interdependent ecosystem where collective well-being is essential to individual survival. Indeed, the dominant view of business and its underlying philosophy is often dished out to students as the only available model (there is no alternative or TINA) and students as potential change agents are discouraged from questioning the existing state of affairs and searching for creative alternatives. The new mantra is survive at all costs and do what it takes to do so.

There leaves little space for students to find their own meanings or develop an ability to critique existing habits of mind. Learning becomes a mode of control rather than a search for meaning. As teachers we often end up transmitting unquestioned attitudes, norms and beliefs. The conventionally accepted definitions about what constitutes work, play, achievement, success, failure are all socially constructed categories that carry the weight of particular social interests. The failure of curriculum builders to realize that there are fundamental interests of knowledge other than prediction, control and efficiency is a serious political and ethical lapse (Giroux 1988).

An appreciation of the latest technologies and how they could be manipulated for business gains is deeply ingrained in the curricula. The omnipotence of technology is taken as a matter of faith. Hence, for instance one often hears the argument that clean technology will make the world sustainable and one does not need to think about changing the business-as-usual model with carbon emissions and other types of dangerous pollutions. Technology becomes a convenient way of escaping from our obligations to society and the environment, and ultimately to ourselves (Williams 1997). To manage these rapid technological changes is an important skill that employers' look for.

Management drifted closer to pure business, and business drifted away further from government. One result of this was a much bigger role was given to practitioners from private industry in governing these institutions. Very little space was left for academics in governance. The linking of curricula to market needs, the introduction of monetary incentives, the measurement of academic performance in precise metrics, and the culture of nurturing knowledge creation that contributed to the validation of the dominant model of global business were all part of the new strategic thinking of business persons in the governing bodies. There remains a lot of freedom to carry out research and construct courses, but these freedoms are what philosophers call negative freedoms—freedom from constraints. But the culture of management education does not encourage or enable examining deeply the global, societal and political constraints that surround any business. By concentrating on technical matters, it ends up creating self-righteous practitioners often operating in a vacuum of moral references.

The Importance of Being Different

Students, who enter business schools the world over, are taught early on in their education that rational thinking inevitably leads to structured and unique solutions to problems and questions. When this author joined the faculty of a management school from a pure discipline background, he wanted to know the most important feature of the profile of students that would populate the classroom, over and above basic intelligence and industriousness. The answer he received was that a potential manager should have a tolerance for ambiguity. Business problems and situations of real life seldom throw up unique solutions. There could be alternative perspectives to any problem. However, this is one aspect that seems to be missing in students in the MBA classrooms of today. The discussion of different perspectives creates a great deal of anxiety in students since they realize that they are existentially responsible for the answer they choose. In short, most MBA students are not used to dealing with abstract ideas, uncomfortable questions and ambiguous situations. They also find it difficult to appreciate that knowledge of subjects like history and anthropology or sociology could be of any use in analysing business problems. They know they pay a lot, and in an ambience of possessive individualism, they are accountable only to themselves. The difficult questions are to be forgotten as irrelevant. The ones focused on the self are the only important ones.

Social reality has been changing dramatically the context of doing business along with the options for choosing a life strategy. These strategies in the past used to be around building order and design and maintaining those with power structures. However, real life does not always throw up rational solutions to well-articulated problems. The key to today's competitive advantage is chaos—not reacting or controlling chaos but actually producing chaos. Irreverence is important in highly creative environments. It makes chaos less scary. Most business strategy experts of today will agree that there are two types of businesses—one that keeps changing and the other that goes out of business. Change has become a purpose unto itself. Every organization must prove to the market that it can change. In a world of rapid dramatic change, there are no gains to be had in sticking to old assets and old profitable ways of doing things. Transience and obsolescence are assets in themselves. There are no long-term assets in business only short-term gains. The short-term gains come from breaking and destroying assets and not by building them. During corporate takeovers and restructurings getting rid of costly long-term commitments like old and highly paid staff, liquidizing local investments and leaving a large number of old stakeholders in the lurch is common practice (Schleifer and Summers 1988). Fragility of contracts, volatility of commitments and the temporariness of encounters and transactions appear to be the hallmarks of the contemporary world. Today's business corporations have an in-built disorganization in them—the less solid and more fluid it is the better is its ability to change. Such organizations do not require people with a specific and solidly known set of skills and sensibilities, but rather people who change quickly and are well connected with similar kind of people—a network, not a society or community. As Bauman (2002: p. 39) puts it: "Whatever 'totality' is imagined instead is composed solely of the mosaic of individual destinies, meeting in passing for a brief moment only, and solely in order to drift away again on their separate ways, with enhanced vigour, a moment later." This is the emerging *elan vital* of the new global capitalism. Progress does not have a destination. It is about the constancy of change of individual destinies like a gigantic kaleidoscope of networks and coalitions loosely held together. The new requirement of lightness, detachment and speed where nothing is of long-term value makes the old classroom irrelevant. This is despite the new audio visual technologies and the Internet. That is why there is a ceaseless attempt by management gurus to come up with new ways of imparting education—from experiential learning to role-playing to flipped classrooms and online interactions.

There is a great deal of emphasis in teaching students the efficient management of time, resources, other people and change. There is little emphasis on asking serious questions about one's own position on complex but fundamental questions such as follows: Where do I stand in an economic system which promises indefinite growth in a finite world? What does it mean to be efficient if it leaves a colleague with a family of four redundant? What is progress if I do not have any personal time to pursue my own interests? What is prosperity if I am ultimately only an item of cost to my disembodied employer? Modern management education stays clear of these philosophical issues. In an era where change is often too rapid to track, a social neurosis afflicts most individuals. The contextual nature and plurality of change is important to appreciate. Instead, all change is often conveniently simplified into linear progression of ceaseless variations.

Journeys and Destinations

In any society, it is the academic institutions that can still provide the space and the possibility of raising critical questions, however, uncomfortable. Academic institutions are a forum where, unlike business and industry, freedom of expression is not discouraged. Further it offers a zone from where one can address wider public debates of importance. Since the financial crisis of 2008 business education in the Western world has come under a fair bit of criticism from outside the academic world. As a result of which some introspection has begun in terms of what is taught, how it is taught, and what kind of ends are business schools trying to achieve. This is still in a nascent stage. For instance some schools are trying out courses on philosophy such as "Nobel Thinking" at the London Business School, or "Thinking about Thinking" at Bentley or "Why Capitalism?" at the Wake Forest University School of Business. Students are also being encouraged to write narrative essays which reflect their take on world-changing thought ranging from Marx to Kant, from Hobbes to Nietzsche. The names of these scholars were at best unheard of in business schools, or at worst considered to be on the lunatic fringe even a few years ago. Such instances are rare in India. Radical and critical thought is considered irrelevant for management and hence is seldom encouraged.

In conclusion, the path of management education in India has closely followed the Western world, often without adequate analysis of needs and appropriateness. In the 1960s, it began as a post-colonial project where managing business was differentiated from nation-building and socio-economic transformation. Even then, management was primarily the acquisition of a set of technical skills of project and people management. The world changed, the planning model of socialism collapsed, global capitalism took deeper roots and there was a revival of faith in markets and increasing suspicion of the state and its activities. Management became the acquisition of a new set of ephemeral skills that met the immediate needs of global firms with exclusive aims of unbounded growth in sales and profits. The dominant wisdom and knowledge was the reflection of the interests of the economically powerful.

Conformism has been the order of the day from USA to Europe and India. The overwhelming conventional wisdom was to seek efficient ways to handle capital and its rate of return. However, not everyone involved in management education conformed. There were exceptions reflected in the nature of courses offered and in the themes of research problems. It has often been argued that academic institutions remain a last bastion of freedom of thought and expression from where social transformation can come about. It requires disruptive changes in curricula and cultures. One can discern signs of change in the Western institutions. We emulate conservatism as well as revolutionary radicalism from the West. We will do it this time too. In the long haul though, there has to be a break from the past. Management education in India must be able to speak about new ideas, and not merely echo words heard elsewhere.

Management institutions have come a long way from the decade of the 1960s. It has still a long way to go before it can instil positive freedoms which liberate the individual from unreflective conformity through greater self-consciousness. Providing “thought leadership” (the popular term used in business schools) must be somewhat deeper and more meaningful than being able to publish in the Harvard Business Review. Calvino (1997) wrote about the inferno we create by living together in the modern world of global business. There are two ways he suggested that one could deal with it. First is to become part of it and accept it. The second is to recognize who and what is not part of that inferno. It is these we need to endure and give space. Can we do it? I think we can. I only hope it is not too late.

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Management Education in India: Avoiding the Simulacra Effect

Abhoy K. Ojha

Abstract About 10 years ago, I reflected on the challenges of management education in India and argued that there was a need to protect it from the damaging effects of rankings by media (Ojha in Decision 32(2):19–33, 2005). A request to revisit and update the paper provided me a chance to examine the developments in the last decade to assess how things had evolved, and also an opportunity to anticipate some of the problems that the field might have to face in the future. I have chosen to examine the impact of accreditations of prominent management institutes in India, including the Indian Institutes of Management, by the Association to Advance Collegiate Schools of Business (AACSB) on management education in India. Continuing the spirit of my earlier reflections, I caution the leadership teams in management institutes to guard against losing control over the agenda and relevance of management education for India as they pursue global aspirations. Drawing on Baudrillard (Simulacra and simulation. University of Michigan Press, Ann Arbor, 1994), I argue that unless management educators are alert to the long-term implications of externally driven accreditations there is a real danger that management education in India may be reduced to "Simulacra" that has no relevance to the issues and problems of our society, even as attempts to mimic management education in the USA may lead to an elusive mirage. Finally, as I did a decade ago, I appeal to the prominent management institutes, including the IIMs, to work together to develop and protect management education that is relevant to India.

Keywords Management education · India · Simulacra · IIM · AACSB

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Introduction

> I do not want my house to be walled in on all sides and my windows to be stuffed. I want the cultures of all lands to be blown about my house as freely as possible. But I refuse to be blown off my feet by any.[1]

> Though we are politically free, we are barely free from the subtle domination of the West… It is to be hoped that no one contends that, because we seem to be politically free from foreign domination, the mere fact gives us freedom from the more subtle influence of the foreign language and foreign thought.[2]

The two quotes from the writings of Mahatma Gandhi capture the dilemma faced by members of a society that are willing to accept external influences to improve, but at the same time are worried that in the process there might also be a loss of all that is unique, special and dear. It reflects an anxiety that unthinking adoption of norms and practices from other societies may hurt the aspirations and identities of its members and ultimately destroy the society. The spirit of these quotes resonate with my emotions as I try to understand the impact of accreditation of management institutes in India by accreditation bodies that have their roots outside India. In this paper, I focus on the impact of accreditation by organizations such as the Association of Advance Collegiate Schools of Business (AACSB) of management institutes in India on management research and education in India. I am concerned that blind adoption of what works in the USA by management institutes in India, as a result of the accreditation processes, will do more harm than good, as there is a real danger that we are likely to "throw the baby with the bath water" even as we adopt the form rather than the essence of the borrowed norms and practices.

In 2005, I argued that there was a need to protect management education in India from the damaging effects of rankings by media (Ojha 2005). At that time, management education in India was experiencing tremendous growth as indicated by the increase in numbers of candidates taking the Common Admission Tests (CAT) conducted by the Indian Institutes of Management (IIMs). Further, there was an increase in number of management institutes accredited by the All India Council of Technical Education (AICTE) as well an increase in the sanctioned strengths of student intake in these organizations. While there were some challenges, including the negative effect of media-driven rankings, the future for most institutes looked bright. However, the situation was significantly different by 2015. The number of candidates applying for the CAT was 176,464 in 2005. It had peaked at 245713 in 2008 and was down to 167,890 in 2014. The number of candidates that actually took the test was probably lower. Further, recent data from the AICTE indicated that in 2013–14, 147 stand-alone management institutes and 6 institutes affiliated to other educational institutions closed operations. These figures suggested that the glorious days of management education and institutes were probably over and the institutes would be

[1] Mahatama Gandhi in *Young India*, June 1, 1921, p. 170.

[2] Mahatama Gandhi in *Harijan*, Oct 2, 1947, p. 392.

required to prepare for a future with less demand for the traditional masters-level management programmes, i.e. master of business administration (MBA) or post-graduate programmes (PGPs), as the IIMs refer to their offerings.

Despite this downward trend, the government had announced the opening of six new IIMs for 2015–16 taking the total number of IIMs to 19 and the seats available in them to about 3800. There were suggestions that more IIMs may be established with the idea of having an IIM in each state. While these changes may not create major problems for the more prominent management institutes, there was likely to be an impact on the mid- or lower-ranked institutes. The competition created by the new IIMs in an already adverse context would probably lead to greater challenges for more such institutes in the near future. The establishment of the new IIMs would probably have an overall positive impact on the quality of management education as other institutes were likely to make an attempt to improve their offerings to meet the challenge. However, the competition was likely to cause many of the mid- and lower-ranked institutes to play the ranking game which would probably lead to all the associated ills that I discussed in my earlier paper (Ojha 2005).

The challenges to the more prominent institutes were likely to come from other sources. Traditionally, these institutes, particularly the IIMs, lost a small number of students to business schools outside the country. However, the numbers were relatively too small to be a matter of concern. These same institutes also benefited by being the employers of choice for faculty within India, and for graduates of Indian origin from reputed universities outside the country who relocated to India. They also were more likely than others to be selected as partners for corporate training and executive education by India-based organizations and were favoured by international companies for their India-centric corporate training and international universities for interuniversity partnerships. But things were likely to change. There was a possibility of reputed international business schools and universities entering the country in the near future. Many of them had already established their presence in some form or the other with a focus on executive education and were likely to expand into the Indian MBA market soon. This would have an impact on all aspects of functioning of these prominent schools, including the IIMs.

In anticipation of international institutes starting their India operations, there was pressure on even the well-established institutes to re-examine their future orientation in terms of retaining their prominent position they had learnt to occupy in a protected market. The ideal way for this to happen was for faculty from these institutes to produce knowledge that was deemed valuable by industry and society, and for their graduates to contribute to the well-being of the organizations they joined and together contribute to the welfare of society. Under normal circumstance, these outcomes should enhance their reputations which in turn should lead to establishing the institutes as prominent in their desired arena. However, this process often suffers from a chicken-and-egg problem. The older IIMs benefitted from being early entrants in a fledgling field and greatness was thrust on them. However, they will be challenged in the future. There was a possibility that if some highly reputed international business schools enter the Indian market, there may be changes in the pecking order. Just as the less established institutes often resorted to playing the “ranking game” to create a foothold at the lower end of the continuum, the more established institutes who are threatened by the potential entry of international competition are likely to play the "international accreditation game."

In this paper, I examine the potential pitfalls of international accreditation and suggest how the leaderships in the established institutes can work to keep management education relevant for India. I caution them to avoid conforming to the perceived requirements of the AACSB if they conflict with the requirements of management education in India. On the face of it, AACSB allows the organization under review to chart its own future and assesses it on its own terms, but that often does not happen. The leaders of management institutes need to be able to exercise their discretion to keep their institutes and the knowledge they produce and impart to students and managers relevant for India.

Purpose of Management Education and Institutes of Management

Before one can proceed to examine the impact of accreditation on management education, one has to understand the purpose of this education, particularly at the postgraduate level, and the role of management institutes in creating and disseminating knowledge. Samuel Paul, the former director of IIM Ahmedabad, conducted a study on management education institutions in India to conclude that they had contributed positively to the country on certain economic criteria (Paul 1972). However, he argued that the "true" value of a management institute was the extent to which it, and its graduates, contributed to societal welfare, which is well beyond just economic welfare. Similarly, Ishwar Dayal, the former director of IIM Lucknow, argued that while the focus of management education should be on providing knowledge and an ability to apply that knowledge at work, the purpose of a professional programme should go beyond that (Dayal 2002). Like Paul, Dayal emphasized the importance of contribution to society as a criterion to evaluate management education. In short, according to these prominent scholars, management education should not be evaluated just in terms of its ability to provide highly paid employment for the graduates who then contribute to the profitability of their employers. Since the impact of management is pervasive, management education should be evaluated in terms of its ability to contribute to overall societal good.

Echoing a similar perspective, more recently Khurana and Nohria (2008) argued that the purpose of management education is to produce professionals who act as custodians of societal welfare and have the desire and ability to work for the good of society and not just for their personal good or the good of employers and shareholders. Similar views have been expressed by Porter and Kramer (2006, 2011), Freeman (1984) and Mackey and Sisodia (2013). As will be discussed later, graduate-level management education was initiated with the explicit purpose of producing professionals, but quite clearly concerns expressed by several prominent scholars and commentators suggests that management education globally has not delivered on that promise. Some argue that management education has actually caused harm (Ghosal 2005). Khurana and Nohria (2008) made a strong case for business students to be required to follow a rigorous code of ethics just like members of the medical and legal profession are required to follow. They have been instrumental in developing the oath that MBA graduates at Harvard Business School are expected to take when they graduate to remind them of their wider responsibilities. Consistent with these views, I believe that the purpose of management education is to produce professionals who have the ability and desire to do good for all stakeholders, including shareholders, customers, employees, suppliers and larger society (Freeman 1984). It is with this perspective in mind that I wish to examine the impact of accreditation by AACSB.

One school of thought suggests that since India is liberalizing and globalizing relatively late, management education will have to respond to the changing context just like in the other countries. There is an implicit suggestion that just as some European and many East Asian business institutes have copied the top institutes in the USA, Indian management education should also replicate the experiences of the USA (Dayal 2002). Consistent with this perspective, seeking accreditation from AACSB is a logical step in ensuring excellence in management education in India. However, there are those, including me, who argue that management education needs to be relevant to its context. While India might be affected by global phenomena, the context of business in India is significantly different from the USA. Just as, for good or bad, management education in the USA reflected the evolution of business and society in the USA, management education in India should reflect the challenges of business and society in India. The former dean of Yale's School of Management Jeffrey Garten arguing in favour of the revival of Nalanda University, originally founded in 427, asked a fundamental question:

> Do societies understand that real power comes from great ideas and from the people who generate them? Do today's universities, operating more than sixteen centuries after the founding of Nalanda, remember that their primary role is to support scholarship that addresses the complex questions that matter most to society? (Adler and Harzing 2009: 72).

I believe that it is time that institutes of higher learning in India, particularly institutes of management, plan for their future keeping the need to address challenges of Indian society in mind. Management institutes and management education in India will be deemed worthy of respect, if they contribute to addressing the problems of Indian business and society.

I believe that, unless leaders of management institutes are careful, management institute rankings by media and accreditation by external agencies, such as AASCB, are likely to create "Simulacra" (Baudrillard 1994) in the context of management education in India. As I discussed earlier (Ojha 2005), in order to look good on the media rankings, management institutes had progressively created images that did not reflect the real experience of stakeholders who actually attended the programmes. In this paper, I wish to highlight how AACSB accreditation is also likely to create pressures to look good in front of the evaluators who will be guided by their own notions of good management research and education, informed by their own societal experiences, and gradually lead management education in India closer to “Simulacra” which is totally divorced from the realities of Indian business and society. I argue that although the prominent institutes in India are facing “tumultuous” times they need to be alert to the local realities. As Ray et al. (2011: 188) argue:

> Business schools, like many organizations, exist in increasingly turbulent environments, making them vulnerable to unexpected events. Making mistakes in such environments is less likely when organizations are “mindful”—when they pay close attention to what is happening around them and maintain the capacity to act on unexpected signals.

There is a need to ensure that even as the IIMs, and other institutes, prepare for establishing their credentials in a global arena; they make changes that are in line with the expectations and aspirations of Indian society. Given that the IIMs operate under the Ministry of Human Resource Development, the need for them to be in tune with larger society and not just those they currently engage with is important. An inability to do that might invite interventions from the ministry and/or society that might hurt rather than help their cause and the cause of management education in India. Even if not intended in that way, the government interventions will be like blunt instruments that might do more damage than good to management education. Hence, it is better the IIMs align with the needs of Indian business and society rather than be forced to comply with government mandated or society-driven interventions that might not be best aligned with the needs of management education India.

Evolution of Business Education and AACSB

Datar et al. (2010) examined the state of graduate-level management education in the USA and suggested that the MBA had over the years acquired the status of a “golden passport.” The number of programmes in U.S. universities and graduates from these programmes had grown tremendously, even as tuition and other fees increased steadily. However, there were many dark clouds. The recent growth was not supported by demand from within the USA but by international demand for the U.S. MBA. In 1998, 24 % of those taking the GMAT were international, with 5 % from India and 5 % from China, while in 2007, 42 % were international with 21 % from India and 8 % from China. Also, there was an overall decline in application for MBA programmes in the USA. While the top 20 business schools were able to maintain enrolment despite a decline in applications, the lower-ranked schools had experienced sufficient decline in applications to lower the levels of enrolment although this decline was more than made up by increased enrolment in part-time and executive MBA programmes.

These trends not only have implications for U.S. business schools as they aggressively address the challenges from a declining interest in graduate-level management education in the USA. They have implications for management institutes in India who will be challenged to retain their students in the context of rising domestic fees and aggressive entry by U.S. and European business schools. An understanding of the evolution of business schools in the USA and the rest of the world and the role of AACSB in that evolution will provide insights to understand the potential impact of AACSB accreditation on management education in India. It will help us understand how AACSB and its accreditation norms have co-evolved with developments in business education and research first in the USA and then in Europe and Asia, and we should be able draw implications for accreditation of management institutes and it potential impact on management research and education in India.

Phase 1: Emergence of Managers as a New Breed of Employees

The origins of the modern corporation with separation of ownership from management, and the emergence of a new breed of employees who managed the affairs of the corporation on behalf of the owners is hardly 200 years old (Khurana 2007). After the concept of managers was accepted in the USA, a few for-profit business colleges were established in the 1820s, and soon each business centre in the USA had its own college leading to the creation of more than 500 such colleges by the 1890s. However, these were seen as "trade" schools providing "low"-level skills to potential managers. Also, during this period, managers were not able to obtain the prestige in society that was accorded to doctors and lawyers, for which many business leaders and managers aspired, nor were the business school educators provided the respect provided to university faculty.

Phase 2: Professionalization of Managers

The desire to create a profession of managers that would have the respect in society enjoyed by the other professions was at the heart of the idea of university-based business schools (Khurana 2007). However, the idea was resisted by the universities as they did not deem business education worthy of being taught at a university. The first university-based school of business in the USA was established at the University of Pennsylvania in 1881 with a donation from Joseph Warton, a successful industrialist overcoming tremendous resistance from the university administration. After an extended period of struggle with the authorities, the Harvard Business School was established in 1908. These business schools were started to "serve as major vehicles of an effort to transform management from an incipient occupation in search of legitimacy to a bona fide profession" (Khurana 2007: 7). Formal management education and business schools were to help managers obtain the status in society enjoyed by the legal and medical professionals by emphasizing the norms and values that the managers should internalize in order to serve a noble societal purpose.

The AACSB was established in 1916 by 16 leading U.S. business schools to advance the professionalization of business education. At the time of founding, the organization was called "Association of Collegiate Schools of Business" (ACSB) reflecting its focus on the member business schools. It was required to establish standards of curriculum and teaching norms just like comparable bodies for the medical and legal professions had created. In 1925, the organization was renamed as "American Association of Collegiate Schools of Business" which provided the acronym AACSB. The AACSB started accrediting other business schools to conform to its norms and standards. However, the association never established its own legitimacy to be able to get many business schools to seek accreditation, as they realized that accreditation by AACSB did not provide the same "monopolistic" advantages that say an accreditation by a medical accreditation agency provided to a hospital. The main reason was that, unlike accreditation bodies of other professions, AACSB never obtained the legal sanction or support from the government. The acceptance of the AACSB norms was constrained by the presence of numerous "unaccredited" schools that offered curricula that were considered equally credible. The inability of AACSB to separate accredited from unaccredited schools in the professionalization phase led to the "scientification" phase (Spender 2008).

Phase 3: "Scientification" of Business Research and Education

There was a realization that while norms and values underlie the granting of professional status to a group of people, there was also a need to establish a defensible body of knowledge to allow society to grant a profession the autonomy and authority to have exclusive jurisdiction in a particular domain. Subsequent to a review of the field by separate Carnegie Foundation and Ford Foundation supported studies, there was a shift in emphasis to make managerial knowledge more scientific to stake a claim over a domain of professional knowledge. It was hoped that the new "scientific" foundations of knowledge would increase the levels of legitimacy for managers among business leaders, as well as for business schools and their faculty members within the university system. These efforts had two major effects. First, it reduced the emphasis on the importance of social purpose to the profession of management. Second, it increased the participation of scholars from other disciplines that already had some level of "scientific" standing, including economics and psychology etc, in business research. The reform in business education coincided with changes in the social sciences. The social disciplines and humanities were attempting to become more scientific by adopting the methods and techniques of the natural sciences, particularly physics, to present abstract generalizable knowledge to obtain the legitimacy of the natural sciences. Gradually, these scholars pursued their research in the business context but still adopted the perspectives borrowed from their parent disciplines that had emerged and evolved in a different context.

Reflecting the changes in the field, the AACSB was renamed as “American Assembly of Collegiate Schools of Business” in 1967 retaining the old acronym. The new organization was charged with the “scientification” of business research and education. AACSB had a role in creating the idea of research-oriented business schools and then entrenching the practices through standardization of the core curriculum and transformation of doctoral programmes (Khurana 2007). However, as McKee et al. (2005) have argued, AACSB had to struggle to retain its own legitimacy even in this phase. When AACSB attempted to impose the standards that favoured the research-oriented schools on the teaching-oriented schools, an alternative accreditation body called the Association of Collegiate Business Schools and Programmes (ACBSP) was formed in 1989. This organization, now called the Accreditation Council for Business Schools and Programmes (ACBSP), offers accrediting services to business programmes focused on teaching and learning rather than research. While the highly ranked business schools in the US are mainly accredited by the AACSB, the presence of another body with different norms created a challenge. Once again, AACSB failed to provide accredited business schools the “monopolistic” advantages of accreditation.

However, the efforts to make management more scientific created a gulf between the issues of practice and issues of research interest (Khurana 2007; Khurana and Spender 2012) resulting in a gap between issues of “managerial” interest and “scholarly” interest (Clinebell and Clinebell 2008). Tushman and O’Reilly (2007) borrowed a conceptual framework from the natural sciences to conceptualize this challenge. This framework (see Fig. 1) suggests that the pursuit of knowledge for use and the pursuit of knowledge for understanding are orthogonal rather than opposite ends of a continuum. The Bohr’s quadrant represents fundamental

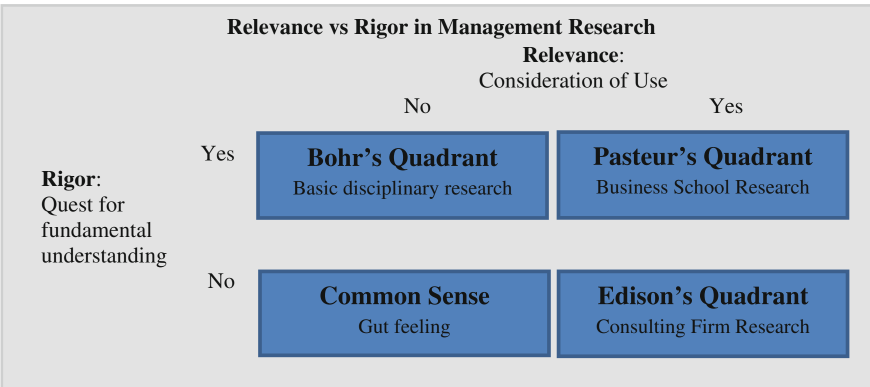

Fig. 1 Relevance versus rigour in management research. *Source* Adapted from Tushman and O’Reilly (2007: 770)

research not driven or informed by any consideration for use. In the context of management, this probably represents the more abstract disciplinary research strongly informed by theories or concepts from mother disciplines like economics or psychology. This is what Khurana (2007) and others criticize as scientific research with no relevance to management issues. The Edison quadrant represents what passes off as research in consulting firms. This research is not geared towards fundamental understanding but is driven by pragmatics and focused on solving problems with the currently available knowledge, even if it is not fully substantiated. The quadrant labelled common sense represents the "gut-decisions" that managers often make with minimal search for relevance or rigour as they are pressed for time. Tushman and O'Reilly (2007) argued that business school research should focus on Pasteur's quadrant with a high emphasis on relevance of use in the selection of problems to research and a high emphasis on scientific rigour to ensure the interventions based on the research are well grounded. However, as suggested by Pfeffer and Fong (2002) and Pfeffer and Fong (2004) this has not happened. Business and management is still in search of a knowledge base that can provide its users and practitioners the status of a profession.

Phase 4: Marketization of Business Schools

While the "scientification" project was unsuccessful, it had unintended consequences for management research and education (Khurana 2007). The pursuit of research in Bohr's quadrant had increasingly favoured quantification techniques over qualitative work and in the process legitimated certain perspectives within business schools. As a result, there has been an entrenchment of the economic or market based rationale in business schools. This had resulted in "marketization" of business schools. Business school leaders had moved towards assessing their own performance as they would the performance of a business organization. Rather than examining the purpose and effectiveness of business education in terms of societal purpose, business schools seemed to be applying the language of business to themselves with an emphasis on customer satisfaction and quantum of financial reserves. A good example of this "marketization" of management education is perceptible in the notion of a learning contract articulated by Goodman and Beenen (2008). On the face of it, the notion of a learning contract appears quite reasonable, but the underlying logic of student as customer is a matter of concern. Besides hurting learning objectives of students, it has also led to a decline in awareness of the social purpose of business. In a study attempting to show that research in business schools is making a positive contribution, O'Brien et al. (2010) argued that since students graduating from research focused school obtain higher salaries, research creates value. Articulating this new perspective in more detail, Miles et al. (2004: 31) state:

> The new standards suggest that although students are not the only stakeholders, they are a primary stakeholder group that must have input in the business school's strategic management process. This new stakeholder approach to strategic planning forces faculty members to share some of their long-held, and often hard-won, power with other groups, including students, which results in increased customer orientation across business schools.

I wonder if treating students as customers and valuing research in terms of the increase in salaries of graduating students are appropriate.

However, the AACSB that had played a critical role in promoting "scientification" of research in business had to respond to the consequences. By legitimating a market orientation, it had inadvertently also legitimated evaluation of business schools by the same frameworks used to evaluate firms leading to the "marketization" pressures on business schools. In response to challenges from the ACBSP and the new pressures towards "marketization," AACSB was forced to make its norms more flexible in the early 1990s and assess the business schools based on the strategic intent of the school whether research or teaching. In other words, admitting its inability to enforce "scientific" norms on business schools, AACSB had to respond to the push back from business schools and the presence of another accreditation body (ACBSP) that provided similar legitimacy benefits, by being open to accrediting a wider range of business schools. The focus of AACSB accreditation also became consistent with the idea of stakeholder satisfaction, with particular emphasis on customer satisfaction, with the student positioned as the customer. In a sense, this is quite antithetical to the idea of accreditation which is based on the notion that since lay people cannot evaluate the quality of a service, accreditation by an authorized body provides assurance to them that the service is of good quality. These adjustments only suggest that there is not a body of knowledge or an exclusive way of applying the knowledge in the field of business research and education that can be made mandatory for business schools.

Phase 5: Internationalization of U.S. Business Education

While business education became well entrenched in the USA, particularly after World War II, Europe did not adopt the business school idea till much later. Although a few schools were started, the idea did not get significant legitimacy till the late 1980s or early 1990s. As Collet and Vives (2013: 542) explain:

> In post-World War II Europe, the United States served as more than simply a model for the development of business education for European governments… The European Cooperation Administration, a U.S. agency charged with administering the Marshall Fund, sponsored the training of European business school faculty at U.S. universities. The direct intervention of governments and the European Productivity Agency led to the creation of new schools, including the London Business School and INSEAD… Despite these developments, business education in Europe remained limited, and some countries showed little interest in adopting the American business school model. For example, as late as 1989, no business school in the Federal Republic of Germany granted an MBA.

They suggested that over time, as Europe and other countries accepted the concept of a business school, the relative prominence of U.S.-based schools had declined as evidenced in the Financial Times rankings. More recently, some of the European schools had focused on accreditation to separate themselves from their competitors and had sought AACSB accreditation.

Just as it had to struggle to maintain its legitimacy in the USA, the AACSB had to manoeuvre to establish its legitimacy internationally, particularly in Europe. The AACSB appended “International Association of Management Education” to its name in 1997 to display that it had an international focus rather than a U.S. focus. In the same year, it provided accreditation to Ecole Superieure des Sciences Economiques et Commerciales (ESSEC) in France. However, just like the ACBSP challenged it in the USA, there was a challenger in Europe. The European Foundation for Management Development (EFMD) formed the “EFMD Quality Improvement System” (EQUIS) also in 1997. Several European business schools chose to obtain EQUIS accreditation rather than AACSB accreditation. As EQUIS gained legitimacy with several European and non-European schools, the AACSB adopted a new name AACSB International in 2001, clearly positioning itself as an international, rather than a U.S. accreditation agency. Hodgson and Clausen (2012) indicated that the AACSB and EQUIS are both in the fray trying to get business schools in the Middle East to be accredited by them. Pushing the international orientation further, AACSB opened its first regional headquarters for Asia-Pacific in Singapore in 2009 followed by a second regional headquarters for Europe, Africa, and the Middle East (EMEA) in Amsterdam, the Netherlands.

Today there are 727 business schools in 48 countries and territories that have earned AACSB Accreditation. Table 1 indicates the number of business schools with AACSB, EQUIS and ACBSP accreditation by country. As expected, number of schools with AACSB accreditation in the USA is very high. In the rest of the world, the numbers for AACSB are marginally more than EQUIS with many schools having accreditation by both agencies. The ACBSP has a larger number of accredited schools in the USA, and a good number in Canada and Australia. Unlike in other countries in the sample, in India and UAE, more schools have been accredited by ACBSP than AACSB or EQUIS.

In summary, the business schools and the AACSB have evolved over five phases. The focus of AACSB has evolved in these phases. However, the accreditation process had been instrumental in encouraging other schools seeking accreditation to adopt norms and practices adopted and/or approved by the prominent U.S. schools. It had not always succeeded and was challenged first by the ACBSP in the USA and then by EQUIS in Europe. Its efforts to accredit management institutes in India have to be examined keeping this history in mind.

Table 1 Number of schools with AACSB, EQUIS and ACBSP accreditation by country

Country	AACSB	EQUIS	ACBSP
USA	517	3	1000 (approx.)
UK	26	25	3
France	23	17	6
Canada	21	10	15
China	20 (7 in Hong Kong)	18 (3 in Hong Kong)	2
South Korea	14	3	–
Australia	12	8	12
The Netherlands	4	5	3
Spain	4	4	2
Germany	9	5	6
New Zealand	7	4	–
UAE	5	0	12
Singapore	3	3	1
Thailand	3	2	1
India	3	2	11
Japan	2	1	–
Ireland	1	1	–
Italy	1	2	–
Israel	1	–	–

Source Websites of the three accrediting agencies

Potential Impact of AACSB International on Management Education in India

Scherer et al. (2005) indicated that the demand for AACSB accreditation was increasing from schools in the USA as well as outside USA, although the drivers were different. U.S. business schools had experienced a relative decline in rankings in comparison with schools in Europe and Asia and were seeking AACSB accreditation to re-establish their reputation and credentials among potential students, both in the USA and outside. On the other hand, schools outside the USA were seeking AACSB accreditation to establish in the minds of potential students that their programmes were as credible as those offered by U.S. schools. In India, several prominent schools have chosen to seek international accreditation such as AACSB, EQUIS and even ACBSP. The numbers are very few, with only three schools in India having AACSB[3] accreditation, two EQUIS[4] and 12 ACPSP

[3]Indian Institute of Management Calcutta; Indian School of Business, Hyderabad; and T.A. Pai Management Institute have AACSB accreditation.

[4]Indian Institute of Management Ahmedabad and Indian Institute of Management Bangalore have EQUIS accreditation.

accreditations. There is no clear trend that is already visible so it is difficult to say anything with authority, but I will speculate and anticipate some of the issues that management education in India might experience based on the experience of other countries.

It is quite apparent that AACSB accreditation has an impact on the business schools, business research and education. Hedrick et al. (2009) found that faculty in accredited business schools were paid more, published more, and taught less than their peers at non-accredited schools. Manton and English (2007) identified AACSB accreditation requirements as one of the many reasons for the rise in multiple authorships of articles in business journals. Bennett and Kottasz (2011) suggested that accreditation had put pressure on European business schools to internationalize their programmes. Similarly, Lightbody (2010) argued that AACSB accreditation had affected faculty hiring in business schools in Australia. Formally, the accreditation process is expected to assist business schools in assessment and improvement efforts. It is supposed to ensure the quality of education by supporting quality assurance and quality improvement efforts and initiatives. Further, AACSB accreditation is supposed to provide the school increased legitimacy among prospective students, current students and prospective employers and facilitate access to resources (Moskal et al. 2008).

However, there is a difference of opinion over whether AACSB accreditation has a positive impact on a business school. Julian and Ofori-Dankwa (2006) argued that AACSB accreditation prevents business schools from being dynamic and responsive to the changes in their context. They refer to the organizational form that prevails after the accreditation process as "accreditocracy" as it is bureaucratic and driven by the need to conform to accreditation guidelines while taking away the freedom and discretion to respond to real challenges faced by the organization. Similarly, Pringle and Michel (2007) argued that AACSB accreditation distracts from actual issues to which the management should be paying attention. In particular, they argue that leaders spend too much time on things that can be measured and neglect soft aspects that are important but difficult to measure.

On the other hand, contradicting such arguments, Romero (2008: 252) argued that:

> AACSB accreditation is a framework and process that increases the likelihood of a school's meeting its goals and meeting the needs of student, faculty, employers, and other constituents. It is a general baseline of quality that encourages innovation and continuous improvement in a global environment… AACSB accreditation has a positive impact on business school strategy, encourages flexibility and creativity, and provides numerous value added benefits through accreditation-related reporting.

Similarly, Shaftel and Shaftel (2007: 229) suggested:

> The AACSB Standards provide business schools with a great deal of latitude in defining learning goals and selecting assessment techniques to measure these goals. They avoid prescriptive guidance and instead ask schools to "choose, create and innovate"… the kinds of measurement tools and processes that will fit their own unique needs.

Many scholars provide views that are more nuanced. Smith et al. (2009) believe that many apprehensions about AACSB, particularly among international schools, is based on a misreading of the requirements of AACSB. Many business schools had not received accreditation not because of failure to meet goals set by AACSB but failure to meet self-stated goals that may have been modified in an apparent bid to meet AACSB requirements. Others have argued that there may be positive or negative outcomes of an accreditation process, but business school leaders need to understand the implications of the AACSB accreditation before pursuing it (Trifts 2012). Hedrick et al. (2009) suggested that any business school seeking accreditation has to assess its needs as the process is not without its downsides. Tullis and Camey (2007) urged business schools to weigh their options but also suggested that delays in moving for AACSB accreditation have its disadvantages.

Since my focus is on impact of AACSB accreditation on management institutes and management education in India, rather on the impact on any particular management institute, I will adopt an institutional perspective to understand the phenomena. This is not new. Koys (2008) had used the institutional theory framework to examine how the AACSB accreditation impacted business schools in the USA, and McKee et al. (2005) had adopted the perspective to examine the impact on business schools in Canada. Briefly, institutional theory suggests that in any context there are two types of processes that make organizations adopt similar organization forms and practices (DiMaggio and Powell 1983). In highly technical fields, competition makes organizations to adopt the most efficient forms to survive making them similar. On the other hand, in institutionalized fields, in which technical forces are weak, institutional forces, namely coercive, normative and mimetic, encourage organizations to be isomorphic with dominant organizations to seek legitimacy. Suchman (1995) identified three forms of legitimacy which loosely correspond to the three types of institutional forces. Pragmatic legitimacy is obtained by complying with the coercive forces exerted by an agency such a regulative or accrediting body. Moral legitimacy is acquired by getting approval by members within the field based on the extent to which an organization conforms to the accepted normative requirements. Finally, cognitive legitimacy is received by going along with the taken-for-granted assumptions in a field which often means mimicking prominent organizations.

I argue that business schools exist in an environment that can be largely described as highly institutionalized. Given the lack of credible scientific and technical knowledge underlying management research and education that is globally acceptable, pure competition cannot explain the isomorphism among business schools. The five-stage evolution of business schools demonstrated the ability of prominent U.S.-based schools to exert influence on lesser known schools through the AACSB. Framed in the language of institutional theory, peripheral schools in the institutional field of graduate-level business education, whether located within the USA or in other countries, experience coercive, normative and cognitive pressures to become isomorphic with the prominent U.S.-based business schools that are at the core of the institutional field. The AACSB is an agency that formally applies these pressures when the schools seek accreditation. As discussed earlier, unlike the other professional bodies, the AACSB never obtained the legal authority to enforce its standards and norms and hence never acquired the formal authority to coerce business schools to conform to its regulations. It had to rely largely on normative and cultural cognitive pressures (Scott 2001; Lawrence and Suddaby 2006), but the prospect of being denied accreditation once a school had opted for the accreditation process did provide some coercive power to the AACSB. Hence, an AACSB accreditation process formally subjects a school undergoing accreditation to all three pressures simultaneously.

When faced with new institutional pressures that do not fit with its current vision, an organization may choose response tactics that can be categorized into one or more of five strategic responses: acquiescence, compromise, avoidance, defiance and manipulation, which go from passive conformity in the case of acquiescence to active resistance in the case of manipulation (Oliver 1991). A business school that has little or no legitimacy in its domain is likely to acquiesce to the pressures from AACSB. It will hope to benefit from the pragmatic, moral and cognitive legitimacy that it might obtain from compliance with the requirements. A school with a little more legitimacy in its context may compromise on some issues as long it gains overall legitimacy by the accreditation. Sometimes, organizations that have moderate levels of legitimacy in their local context resort to avoidance which involves public display of conformance with the accrediting body while continuing to do things the old way by decoupling actual operations (Meyer and Rowan 1977). In other words, a business school may make cosmetic changes to get accredited by AACSB, but continue to operate as it did before the accreditation without openly challenging the accrediting agency. Defiance and manipulation are more confrontational strategies. A business school may openly challenge the requirements of AACSB and force it to defend its requirements. The history of AACSB suggests that it has happened to it at several stages in its evolution. Finally, manipulation involves attempting to establish different norms and practices, as demonstrated by several business schools coming together to found the ACBSP in the USA or the establishment of EQUIS in Europe.

How should management institutes in India respond to potential pressures to seek AACSB accreditation? Should they adopt the strategy of acquiescence or manipulation or something in between? Tullis and Camey (2007) suggested that sometimes the process of transforming from a regionally focused business school to a globally accredited business school can be painful. However, they also argued that business schools that want to resist AACSB accreditation should be aware that schools that delay the process also reduce their chances of success in the field. McKee et al. (2005) hesitated to suggest that AACSB accreditation was bad as the U.S. influence on Canadian education, particularly business school education, is so strong that any business school trying to buck the pressures would likely lose out. However, they did suggest that once all the Canadian business schools in the peer group obtained AACSB accreditation, it would stop being a differentiator. But in the process, there would be no prominent school focused on Canada centric research agenda or curricula. In the light of this argument, should management institutes in India also attempt to be isomorphic with business schools in the USA?

Will this serve the purpose of management education in India? I argue that prominent management institutes in India have no reason to comply or even pretend to comply with AACSB requirements. Rather than seek AACSB or even EQUIS accreditation, they should confront the norms through open defiance by challenging their requirements and actually resorting to the strategy of manipulation to promote another accreditation body that is sympathetic to the needs of India, and similar countries.

The IIMs, particularly the older ones, have significant legitimacy in Indian society and there is no need for them to acquiesce to norms of external agencies, including AACSB or EQUIS. The norms adopted by these agencies probably reflect the needs of business schools in their context, but are less relevant in our context. For example, the notion of diversity in the Indian context has a particular meaning. Reflecting the legislated requirements in India, the IIMs are required to ensure a proportion of students belong to the scheduled caste (SC), scheduled tribe (ST) and other backward class (OBC) communities, in addition to including some persons with disability. Also, given their national stature, the IIMs have to be concerned about the representation from different regions of the country to work towards representation from all regions, as well as have a focus on gender diversity. However, the notion of diversity in the AACSB and EQUIS guidelines emphasizes, in addition to gender, nationality of students. Should the IIMs focus on responding to its own local context or the norms of the external agencies on this dimension? I believe that the local context is more important. Similarly, the AACSB and EQUIS accreditations are getting the management institute leadership to nudge faculty in the IIMs to publish in U.S. or European journals. I do not see the benefits of this to Indian society no matter how highly ranked those journals may be unless the research is focused on addressing challenges of Indian business or society. Earlier, I had argued that research in management should focus on issues in India rather than be driven by the need to publish in international journals (Ojha in Khatri et al. 2012). Every attempt or even pretence to conform to the external norms will restrict the ability of IIMs and other institutes to be responsive to their own context. In the long run, the institutes may become disconnected from the society in which they operate. It is not healthy for management education in India, if the most prominent institutes are unable to contribute to the welfare of the society to which they belong.

I argue that, despite the fact that, on paper, the AACSB guidelines might suggest that leaders of business schools undergoing the accreditation process have the liberty to decide on their own goals and will only be assessed on their capabilities to achieve those goals, the real impact of the accreditation will be an imposition of norms and practices that are considered legitimate in the U.S. context. The more leaders of business schools in India have been socialized in the U.S. system, the less likely they are to experience this as problematic. There may be short-term gains in terms of improvement in rankings, attractiveness of students and faculty, but it is likely to hurt the long-term prospects of management research and education in India. With every stage of accreditation and renewal of accreditation, the management schools will likely become poor clones of some school in the USA, with faculty trying to imitate the thought processes of established scholars in the USA.

The schools will become detached from issues relevant to India and the faculty, who have the potential and responsibility to create knowledge relevant for India, will become followers of thought processes that might not make sense for the Indian context.

Baudrillard (1994) is his book, *Simulacra and Simulation*,[5] examined the search for meaning in contemporary society and argued that signs and symbols are used to represent meaning, and over time they self-referentially create a hyper-reality that may not have an underlying substantive existence. He suggested that the relationship of the image created by the signification and symbolism with reality gradually weakens till the "simulacrum" acquires an existence of its own with no relation to the reality from which it originates. In the first phase, the image created is a "reflection" of the reality that is to be captured. It has a strong resemblance with the phenomenon that it represents. In the context of management education, early knowledge creation and training were focused on "real" issues faced by managers. In the second phase, the image "masks and denatures" the reality. There may be a conscious and motivated attempt to distort the image to provide a different meaning to the phenomenon. Many of the theories and models in management "simplify" the reality in order to achieve parsimony, which is an important aspect of knowledge creation as well as dissemination. However, they contribute to the Simulacra process. In the next phase, it "masks the absence" of the reality that it pretends to represent. The image portrays a phenomenon that has does not exist. I suggest that over time theories and models in management have become further divorced from the issues experienced by managers. As a result, management education has produced graduates who learn to experience "reality" through the theories and models they have acquired rather than use them to understand their real experiences. In the last phase, the image has no relationship with reality and becomes a "simulacrum" which has an existence in the minds of people without any link to anything "real." It is pure simulation but has a "real" meaning for those who see the image. The computer-based slides and the spreadsheet-based numbers become "real" rather than mere caricatures of the reality. I believe that management education is producing graduates who not only treat the overly simplified theories and models as reality, they have no opportunity to experience the reality to allow them to self-correct. To make matters worse, the much of the "hyper-reality" underlying

[5]Baudrillard argued that human experience in modern society can be understood through the symbols and signs that constitute the 'hyper-reality' with which a human being exists. Contemporary culture and media have created an artificial world that may not have anything to do with the 'reality' that a common person thinks he/she is experiencing. He describes the movement from 'reality' to 'hyper-reality' as a four-stage process. In the first stage, the 'image' created by the symbols and signs is a faithful replica of the reality it attempts to represent, even if there are some flaws. In the second stage, the 'image' portrayed becomes an unfaithful copy of the reality, in which deliberate distortions that obscure reality are introduced. In the third stage, the 'image' is quite unrelated to reality, with conscious efforts to mask reality even as there is a pretence to represent it in the images. Finally, in the fourth stage, the 'image' is based on pure simulation such that the 'Simulacrum' has no relation to reality and also there are no attempts to even pretend that there is a requirement for such a relationship.

management education in India did not even start with trying to capture Indian realities.

I am afraid that the AACSB accreditation path may lead management scholarship in India even more quickly down the path of no-return unless the IIMs do something to reverse the process soon. For example, in order to look good on the diversity dimension as defined by AACSB and EQUIS, some management institutes have actively sought to reach out to international students, which is not a bad thing in itself. However, most, if not all, the "international" students are those of Indian origin or those who have actually grown up in India but hold passports of some other countries. Their presence improves the diversity of students on paper, but I wonder if it actually contributes to diversity as intended in the accreditation norms. Similarly, the accreditation bodies encourage faculty publications in established journals. Since it is difficult to publish papers based on India-centric issues or conceptual frameworks, the management institutes have started encouraging collaborative research. In most cases, the India-based coresearcher is forced to work on alien problems using alien theoretical concepts. Is it worth doing such research, even if the papers get published in top journals? Does this kind of research serve the purpose of these institutes? These are just two examples of many changes that management institutes in India are adopting to look good on accreditation but creating distance from the reality in the context. They have adopted the form rather than the essence of the norms and practices that AACSB or EQUIS are promoting. These changes are likely to contribute to a mirage of improving global ranking or acceptance without any real substance to sustain it.

In his analysis of the state of management education in South-East Asia, Hunter (2014) argued that despite more than 50 years of independence from European colonizers, the knowledge base in the area of business, entrepreneurship and management is largely "Western" embedded in the South-East Asian "psych." He essentially argued that unless these countries, which seem to have done very well in terms of economic progress, also developed an ability to produce their own knowledge they will not be able to really prosper in the long run. As he stated:

> The dominance of occidental intellectual thought, particularly within economics, entrepreneurship, management, and organizational disciplines displays all the hallmarks of *neo-colonialism* through the backdoor. Although governments of South-East Asia espouse their own respective national values and "*ways of doing things*", the fact is that students are taught predominantly "western" ideas and values through local college and university systems. (Hunter 2014: 95–96)

Along similar lines, Varman and Saha (2009) analysed the state of marketing knowledge in India and found that all marketing knowledge in India is some commoditized form of knowledge developed in the West. They argued for a transformation in the relationship between academia in India and the West. They argued for the need for academic institutions in India to collaborate among themselves to develop a core body of knowledge that allows them to renegotiate their role with the West even as they are more responsive to the needs of the local context. In another context, Bannerjee (2014) argued that the poor state of management knowledge in India can be attributed to "unproductive competition among institutions due to a false sense of self sufficiency, lack of adequate research infrastructure at the institution level and the long standing government policy in India that has considered teaching to be the core activity in our university system" (Bannerjee 2014: 3). He argued for the need for collaboration among management institutes in the country in order to develop local competence.

Following Bannerjee (2014), I appeal to the prominent management institutes, including the IIMs, to work together to develop and protect management education that is relevant to India. AACCB or EQUIS accreditation may provide a temporary improvement in standing relative to another peer institute but as a collection of institutes they will always be beholden to the norms and guidelines developed in the USA. While AACSB has changed the guidelines in response to experiences in the USA, it is unlikely to make changes to be compatible with the Indian context. The leaders of management institutes in India need to take up the mantle to develop and nurture management thought and scholarship relevant to India even if it does not provide any edge over its peer. In the long run, the top schools, particularly the IIMs which are public institutions, should take responsibility for developing original knowledge for India in India. In order to achieve this, they should avoid the AACSB or EQUIS and promote a credible accreditation agency that makes management institutes in India responsive to the needs of management research and education in India.

Conclusion

In this paper, I have chosen to examine the impact of accreditations by Association to Advance Collegiate Schools of Business (AACSB) of prominent management institutes in India, including the Indian Institutes of Management, on management education in India. I argued that there are signs that the demand for management education at the graduate level has peaked, and just as in the USA, there will be a gradual decline in enrolments in MBA programmes. While the top-tier schools will not have issues of survival, many lower-ranked schools have closed and many more are likely to close particularly with the government announcing the opening of many more IIMs. The top schools are going to be challenged by the entry of globally reputed business schools in India. They are likely to go for international accreditation, particularly AACSB, in order to improve their standing relative to peers. This, I argued, may be problematic.

Drawing on Baudrillard (1994), I argued that unless management educators are alert to the long-term implications of externally driven accreditations, there is a real danger that management education in India may be reduced to "Simulacra" that has no relevance to the issues and problems of our society, even as attempts to mimic management education in the USA may lead to an elusive mirage. Finally, as I did 10 years ago, I appeal to the prominent management institutes, including the IIMs, to work together to develop and protect management education that is relevant to India.

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Part II
Disciplines in Management

Maslow or Mahabharat? Dilemmas in Teaching Organizational Behaviour in Management Institutes of India

Jacob Vakkayil

Abstract This chapter examines the current status concerning the teaching of "organizational behaviour" in postgraduate management education in India. The author identifies seven key issues that need to be considered in achieving more effective engagement with the topics involved. These issues arise from multiple factors such as training and role of faculty, structure of the programmes and the nature of stakeholder engagement. The chapter concludes with a few actionable recommendations which faculty and programme administrators can consider while planning and teaching courses in the area.

Keywords Organizational behaviour · Indian business schools · Postgraduate teaching · Management education

Introduction

A few years ago, two prominent business schools in India took the lead to examine the expectations of various stakeholders with regard to the capabilities of their graduates. After a series of exercises working towards this end, a final workshop was organized, facilitated by a well-known academic expert on management education. Representatives from industry and academia interacted for two days identifying strengths and weaknesses of current state of management education in India. Particularly, interesting were the ideas of those from the industry about what the typical business school graduate in India lacked. Not surprisingly for many in the audience, "leadership" emerged as a major lacuna.

This was, however, puzzling for many others especially those associated with business schools, where we offer multiple courses ranging from themes such as "production leadership" to "value leadership". Just like the word "strategic" had assumed a larger-than-life importance in course offerings across disciplines,

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“leadership” seemed to add a touch of magic elevating mundane business functions such as accounting or quality assurance to heights of uniqueness and importance. In an informal conversation later in the same workshop, someone raised the fundamental question: “Can leadership be really taught?” I pounced on this question with unusual ferocity shouldering my responsibility as someone who taught organizational behaviour (OB) to underline the relevance of our existence in business schools. My aggressiveness was somewhat misplaced. I gathered during the course of my interactions with many during those days that most did not really doubt our relevance but a vast majority of them were not sure about our effectiveness.

Having taught OB and related subjects in business schools in India for many years, it was difficult for me to hide from those imaginary fingers that pointed directly at us, who seemed to be the most prolific in offering leadership courses. Elsewhere in the world, the word “leadership” has occasionally been added to the names of departments in which we worked, spreading the magic to our diverse course offerings and research activities. In India however, our claims as leadership experts were more subdued and mostly individual driven. While OB has always been a compulsory subject taught in the first semester of an MBA programme, leadership-related courses were generally packaged as electives in the later part of the programme. This approach helps in avoiding degrees of standardization inherent in the compulsory OB course. Moreover, these and other customized leadership development programmes also preserved the diverse interests of faculty by facilitating the freedom to approach leadership in unique ways (Reddy and Srinivasan 2015).

Indeed, those working in OB departments in Indian business schools come from diverse backgrounds. Many have completed doctoral studies in psychology or similar subjects rather than in business or management studies. This is of course not quite different from colleagues in other departments who teach communication or statistics. Partly driven by the legitimacy that comes from well-recognized brand names, the transition into business and management experts seems to be achieved rather smoothly in these institutional settings. For example, those in the departments of OB discovered that in an environment focussed on business, legitimacy comes easier with invocation of ideas such as “leadership”. So it is easy to understand why pointing to deficiencies in our students related to these areas might be interpreted as striking at the heart of our relevance and effectiveness as OB faculty.

There are many factors that might prompt an easy dismissal of these and similar observations by the academic fraternity. For one, in most business schools in India, we faithfully transact all theories from Maslow to McClelland in the standard OB textbook. Secondly, OB is a compulsory course in most programmes. Though the number of hours dedicated to this subject can vary greatly between institutes, the fact that this is compulsory in most ensures that students are exposed to the key core concepts. Thirdly, students seem to enjoy our classes. They talk with reasonable approval about the “fun” OB classes full of group exercises or self-assessment questionnaires. For the average student weary from quantitative problems of production optimization and financial analysis, OB sessions seem to provide opportunities for instant re-energizing. This often translates to reasonably good course feedbacks for faculty.

But a less self-congratulatory perspective would signal that such references to OB as “fun” can also be indicative of a sense of unimportance for the subject. Students often make a differentiation between “hard” subjects such as financial analysis and “soft” subjects such as OB. Concepts taught in OB are thus considered not too far from the application of enlightened “common sense”. In such a scenario, the challenge of establishing relevance and effectiveness can be significant for OB faculty.

Key Issues

In the light of the context indicated above, I explore some of the key issues that are relevant in the teaching of OB in Indian business schools. In doing so, I draw predominantly from my own experiences in teaching OB and related topics in four prominent business schools in India. I also utilize discussions with colleagues from these institutions and others during management conferences and workshops across the country as well as informal meetings and interactions elsewhere.

Indian Context

It is well-known that business school education was nurtured in our country in the initial years by active interactions with American institutions. Even after the “mentored” business schools had come of age, the influence of the American model has remained substantial. This is not particularly different from the overarching influence of American thought on management education across the globe, and efforts to chart a different path have been few in India as elsewhere.

In the specific case of OB, the context of India has not generally been deeply implicated in our syllabuses. Commendable individual exceptions can, however, be cited. Even in their early years, schools such as Xavier Labour Relations Institute and the first Indian Institute of Managements (IIMs) had developed teaching cases that highlighted unique Indian factors that influence managerial behaviour including the strong impact of caste or family. Unfortunately, these attempts were not really followed up with relevant and visible research that explored the exact nature and importance of these special factors in the Indian context. In the last few years, more cases have been developed by other institutions as well, but sadly, there has been a great emphasis on quantity at the cost of quality. Often, special staffs are hired to churn out cases in large quantities, and they display minimal understanding of the distinction between news reporting and case writing.

As a specific aid to the teaching of OB, a number of American text books have been repackaged by incorporating them with short anecdotes or corporate vignettes from India. Some of us have been more adventurous and rehashed these texts altogether to come out with new versions. But deep engagement with the Indian context is something that is an exception rather than the norm in these attempts. In terms of the selection of content for the core OB course, we seem to have a great deal of choice among these comprehensive text books. This choice to select the book does not exactly convert to a diversity in ideas presented within.

Research Base

Teachers in good Indian institutions are lucky as there is still a great deal of emphasis on teaching. Being a good teacher is considered an integral part of our identity as faculty. This is unlike many business schools in the west where increased emphasis on research output has relegated teaching to a subsidiary activity for faculty. This feature of Indian business schools needs to be sustained if we are seeking to be relevant to the context and retain our special characteristics in the Indian setting. However, this can sometimes come at a cost. Since most business education in India happens at the postgraduate level, an engagement with the topics that goes beyond introductory undergraduate level is essential for effectiveness. Thus, the emphasis on the importance of teaching often comes at the cost of deeper understanding and involvement in knowledge creation. At this level, student engagement and reflection about topics taught can be a problem if teachers themselves do not engage with the topics through inquiry. In general, there is a deficiency of OB studies that engage with the realities' local context and are responsive to the inherent priorities (Khandwalla 1992).

There have also been many attempts to draw from Indian philosophical traditions and thought to enlighten managerial decisions. Barring a few exceptions, these attempts are often made in an uncritical way and have not been approached with the level of academic rigour that the profession requires. More recently, "emerging markets" have become a buzzword of sorts, and a few journal issues have been dedicated to deal with issues of emerging markets in many managerial disciplines. Indian academics especially those located in Western universities have increasingly contributed to these attempts. Moreover, with increasing pressures for publications driven by the pursuit of global accreditations, the output of publication-oriented OB research is likely to increase. It is debatable whether these will indeed enlighten our students or practitioners about managerial behaviour in India.

Teaching Approach

Critical engagement with topics is not the norm of undergraduate education in this country where the mode of learning is not too different from the rote learning that characterizes our school education. The popular image of the teacher within the

Indian society as a venerable sage to be respected and obeyed has not made critical engagement with the professors any easier. Thus, a highly prescriptive approach characterizes OB teaching in many management institutes across the country. It has not been helpful that a large part of the faculty are trained in our universities where a similar mode of teaching has been largely employed. This is accentuated by students who are predominantly trained in numeric analysis and who want clear and single answers to questions of import. However, human behaviour challenges the theories we teach by being elegantly unpredictable. Sadly, this tension is often addressed in classrooms by simplifying these complexities to the point of irrelevance.

A lack of criticality seems to be a feature of Indian management education in general. Spurred by a booming economy in the past few decades, business schools have been highly successful in placing their students in companies at salaries that can be the envy of other sectors. This is often interpreted as a success of the existing model, and efforts to challenge the status quo are often met with resistance. In the specific case of OB, the use of concepts and theories are not always straightforward, or for example, the impact of certain practices that apparently aim to encourage employee motivation does not materialize in predicted directions. Moreover, employees can be manipulated or subjected to illusions of consensual decision-making. Though these require critical examination and discussion in the classroom, most OB course syllabuses do not give a hint of such possibilities.

The inappropriate use of case studies to teach OB is one area where shallow teaching can be observed widely. Many forget that context-specific selection and treatment are crucial in the effective use of this methodology (Jain 2005). Large amounts of time are spent on these cases especially through the use of group presentations and other activities in class around the case. This often comes at the expense of time that should be dedicated to pursue broader theoretical explorations. Moreover, students are encouraged to find “the one solution”, and when they fail to do so, faculty has the opportunity to present “unique insights” by offering clear suggestions for managerial actions in the case. Such a decontextualized approach to solving business problems is typical of what is often described as “academic arrogance” and provides our students with a very simplistic image of how business problems are solved in the real world.

Functional Silos

The existence of functional silos in the way our business schools are organized prevents interesting cross-functional ties in research and teaching between OB and other subjects. Faculty are commonly organized into departments with strong implications for decisions concerning faculty selection and promotion. Also, the organization of teaching by faculty and the decisions on courses offered are also commonly managed within departments. Subsequently, decisions on courses and the inclusion of topics with multidepartment implications need special efforts of coordination which are often not pursued. For example, though theories of motivation are taught in both OB and consumer behaviour courses, substantial cross-departmental teaching initiatives have been fewer than what is possible.

In many business schools, OB and human resource management (HRM) are handled by a group of professors in the same department. Even otherwise, the intimate ties between human behaviour at the workplace and systems and processes that can be put in place to regulate it are quickly highlighted. This marriage with HRM can sometimes be limiting for OB. As is evident from above, its scope is much wider than dealing with issues associated with HR systems and practices. This association with HRM also makes it more difficult to question organizational practices and systems in a critical manner. As pointed out above, this can lead to the detriment of a more engaged classroom experience for students and a focus on existing limitations within which businesses operate as opposed to the delineation of desirable outcomes and end states in a more unrestricted manner. Additionally, the knowledge base of faculty members in each discipline can be spread across a broad range. For example, the typical OB professor may not be familiar with legal issues relevant for employee relations in companies and teaching large classes of compulsory courses as a team may become difficult if knowledge bases of the instructors involved in the same course are not comparable. Large classes also contribute to a high degree of standardization leading to a mechanical way of teaching preventing a classroom experience more intertwined with the specific approach of the instructor concerned.

Micro-focus

One important consequence of factors mentioned above also seems to be the comparative neglect of macro-OB or macro-organizational theory issues in the course portfolio. In the curricula of postgraduate programmes in management across the country, this part of OB is increasingly being cut short and often limited to less than 10 h of contact by a faculty. So issues associated with social and institutional context of action do not get sufficient attention. One reason for this is the theoretical nature of the subject that makes it difficult for the average fresh engineering graduate in our business schools to relate to. But with the above-mentioned concern for leadership, one would expect a greater level of importance attached to this. Sadly, his has not been the case.

One particular area where organizational theory could enrich discussions is at the highly relevant interface of business and society. Key issues of sustainability and social responsibility are increasingly being highlighted, and an understanding organizational theory can make great contributions to enriching student understanding in this area. The lack of visibility of organizational theory in our curricula also contributes to a vicious cycle as only few of our doctoral students in Indian business schools pursue this area in turn creating further deficiencies in the availability of faculty interested in the topic. Moreover, traditionally, OB has often been equated to an applied branch of psychology, and consequently, there have not been many faculty members in OB departments with strong background in sociology or other relevant subjects. These factors derive from and contribute to a narrow vision of management education where social and institutional factors are relegated to the sidelines.

Programme Compulsions

In the past few years, we have discovered the magic of one-year postgraduate (PG) programmes. Though intensive in nature, the time available at hand to transact content for these programmes is much lower than longer programmes. Often their design thus emphasizes key courses, and attempts are made to remove all other subjects that are not considered absolutely essential. Even for courses that are offered, the total time available is cut short. Predictably, OB is one of the first to take these cuts. In many institutions, even in the traditional two-year PGPs, over the years, core compulsory subjects have been cut in favour of large number of electives. Again, OB and organizational theory have been popular targets of these cuts resulting in reduced hours of core instruction.

Most often, course design and restructuring efforts are treated as purely "academic" activities involving predominantly the teaching staff of the institute. Sometimes, students' suggestions are considered as part of the process through which these restructuring projects are carried out. This gives legitimacy for the changes as the logic of demand is used to drive our course offerings. However, very few restructuring efforts involve wider stakeholders including those from the industry to decide the direction of these changes.

Faculty Roles

Like in the case of other subjects taught in our business schools, appreciation of OB by our students sometimes can be strongly associated with the admiration for the professor whose teaching style and approach were considered exemplary. It is indeed desirable that teaching capability and hard work put in for class preparation are adequately recognized both individually by our students and organizationally by the administrators. In the case of OB professors, there is also an additional burden of managing varied student expectations. Often, OB professors by virtue of their familiarity with psychological concepts are seen as capable of being student councillors and advisors. Faced with personal and professional milestones during the key period of business education and in the absence of other avenues for personal coaching and counselling, a few students turn to their preferred OB professor with expectations of support and guidance. This extension of the academic role needs to be approached with care and sensitivity to student needs and a reflective awareness of one's own capabilities and training.

What is also not uncommon is the frequency with which OB professors play the role of the motivational speaker. Armed with pop psychology or quasi-philosophical ideas, they approach the classroom as a speaking assignment where feel-good wisdom is dispensed. They point to what we need to do, where we need to go and what we need to lead a fulfilling life. Their simple lessons are laced with interesting anecdotes and are often underlined with culturally appealing ideas from the epics and various traditions of Indian thought. These types of professors are also sought after highly in executive training in the country where such capsules of wisdom seem to be much appreciated. Again, caution needs to be exercised in the way we conduct teaching and training not to be relegated to the category of sellers of superficial, feel-good wisdom.

Practice Engagement

Many students in popular PG programmes in management in India do not have work experience. Thus, they cannot relate deeply to human issues experienced at the workplace and require skilled intervention to understand how these issues are intricately interwoven into the technical aspects of doing a job. However, many OB professors do not have work experience outside of academia and find it challenging to engage more deeply with human dynamics in more business-oriented environments. For example, many of us work within systems that afford us comparative job security without very short-term performance targets or extreme competitiveness that are typical in many companies where our students work. Thus, there seems to be a distance from real practice from both ends resulting in superficial treatment of topics taught.

The relationship between companies and business schools in India seems to be single-dimensional and rather predictable. For years, they have played the role of good recruiters who come to the campuses once or twice a year, to select the brightest of our students at salaries that range from the outrageous to outrageous at both ends of the spectrum (depending on the institution). Typically, they have shied away from deeper engagement with curricula and the learning experience in these institutions, leaving it all in the very safe hands of academics. This is not an OB-specific issue, but the effects are more acute in a subject such as OB where the local context and challenges therein are so vital to any attempts to understand and engage with human behaviour.

Faculty researching OB topics typically find it extremely difficult to penetrate these companies for gathering data especially if it involves close observation of human behaviour in the intimacies of their office spaces. There is a range of experiences that the average OB professor can recount when talking about companies' enthusiasm for research engagements. While good old public sector companies are reasonably open, the software companies or multinationals that form the bulk of recruiters in top business schools in the country are more guarded when admitting the researcher into the hallowed precincts of their inner offices and intranets. This creates a distance and makes many academics in the more "theoretical" subjects such as OB far removed from the practice of management.

Conclusion

To be fair, when recruiters complain that they miss leadership or decision-making qualities in our graduates, they might be speaking with multiple understandings of these concepts and thus might have diverse expectations from business school faculty. Moreover, some businesses approach business schools primarily for bright young people filtered by challenging admission tests who are flexible enough to fit into early career positions offered by these companies. Depending on the context, the demands on our graduates can be vastly different. Thus, the apparent dissatisfaction might be coming from multiple sources and addressing these might be more complex than they appear.

The illustration of expectations from business leaders presented above does not diminish the interests and expectations of other stakeholders such as the state and the civil society. In a country such as India where much of the high-quality management education is subsidized by the government, questions are also being posed about how they contribute to nation building. There are indications that the Indian business school experience does not contribute to the development of values needed for such efforts (Krishnan 2008). In this scenario, understanding stakeholder expectations seems crucial for management faculty. In the context of managerial actions that have adversely affected the lives of millions in certain economies of the world, the necessity for understanding human behaviour and decision-making better has become evident. In seeking answers to modern problems, the diversity of Indian traditions and thought can be an asset for those teaching OB. However, this needs to be done with a deep-level understanding of these traditions and not merely as a device to cover up ones' lack of clear conceptual understanding.

Apart from the existence of multiple understanding indicated above, the lack of depth and clarity concerning managerial concepts might also be interpreted as the result of lack of visible research that is relevant to the context by faculty in our business schools. Here, rather than imitating Western approaches that privilege paper productivity, we need to develop our own models for what constitutes good research. Here, novel approaches that balance demands of rigour and relevance are necessary (Panda and Gupta 2014). The influence of Indian business schools has not been entirely in proportion to the large number of institutions and thousands of faculty members that operate in the country. As far as research and its communication are considered, we have not been able to develop a model that captures the requirements of the context better. Our leading institutions are adopting an interpretation of research that privileges a single-scale global measure of quality based on journals and output quantity to the detriment of relevance and practicality.

I believe that if we shoulder our responsibility to develop greater clarity among practitioners aiding decision-making in an informed, research-driven fashion, we would be approaching a different model of research quality. Training and consulting engagements that draw from solid conceptual and practice foundations require commitment and effort. For those associated with OB, these challenges are somewhat more real and evident as most companies struggle to address issues closely associated with behaviour in organizational systems. Moreover, many of the challenges that teachers of OB face are not unique and the possible solutions too are likewise broader in scope. Thus, collaborative efforts that break down academic silos together with a managerial orientation with the involvement of practitioners might work to better explore these solutions.

Evidently, the above discussion was not meant to paint a very grim picture of OB teaching in India. Indeed, many of us regularly see signs that our actions have been effective in some way. For example, like many other colleagues across subject areas, I have often been genuinely encouraged by delayed student feedback (a few years after the courses were done). Many affirm how the OB course they took had helped them in managing key professional and personal relationships better. Reflective engagement with our content and methods and sharing of ideas with others in the field becomes imperative to make continued desirable impact on our students. Though at an individual level, many of us try to do this, I believe that we need to do this in a more structured manner involving multiple stakeholders including those from the organizations where our graduates work. In this context, multiple views are evident concerning what business schools should teach (Balasubramanian et al. 2006). Frankly, one is assured by a new-found interest in introspection and an engagement from companies and other stakeholders who have traditionally provided very limited inputs to the design of course offerings in our business schools. Obviously, organizational resources and facilitative processes to support these efforts are vital in our efforts to be relevant and effective.

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Management of Mathematics or Mathematics of Management: Quantitative Methods in Management

Megha Sharma and Sumanta Basu

Abstract This chapter attempts to initiate a discussion on relevance and utility of quantitative subjects in management given the conflicting background of perceived quantitative superiority of management graduates from premier institutions and partial failure of Indian business to adopt quantitative practices effectively to justify its utility in management education. This chapter introduces the readers to the standard format of quantitative courses in a management programme by segregating it into three broad areas: statistics, operations research and operations management. We elaborate on the typical courses offered by each of these areas to showcase their relevance to current management programmes and practice. We also compare the quantitative course offerings in management programmes with those in specific technical programmes in terms of their objectives, pedagogy and content. This comparison helps us in identifying the application focus in quantitative courses essential for managers in analytical domain, i.e. financial sector, data analytics, etc. We extend this discussion by providing an unbiased view about the current status, industry expectation and objective of management graduates while going through quantitative courses. We have highlighted the positives of quantitative orientation on management courses and its influence on current success of management education in India. To identify the ways of improvement in future, we focus on critical yet unaddressed areas by involving multiple stakeholders in the discussion: students, faculty members and industry. Although premier management institutes carry the repute of having students with excellent quantitative ability, unfortunately the industrial scenario in India is not able to recognize full potential of quantitative methodologies and hence fails to exploit the potential. This industry practice motivates management graduates to focus on jobs with a general management or consulting focus leaving the quantitative-focused roles for specific disciplines. We have suggested some initiatives, required from both industry and academia, to

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bridge this gap and make the quantitative part of management education relevant and useful. We also present our views on extending this effort in the field of management research by creating several industry-focused research groups that may help in bridging the industry academia gap to realize full potential of quantitative methods, tools and techniques.

Keywords Quantitative methods · Teaching pedagogy · Management research · Stakeholder analysis

Introduction

While the number of management institutes in the country and the number of enrolments have increased multiple folds in the last decade or so, there have been questions about the employability of management graduates.[1] Such doubts are further strengthened by the fact that many of the top 100 management institutes have been unable to provide job placements for their students over the years despite the industry claiming demand for suitable graduates. If we consider the number of Common Admission Test (CAT) takers across years to estimate the market size of MBA aspirants in India, the number has been decreasing since the last few years. To understand this demand–supply mismatch and the direction in which it is moving, one needs to review what is taught in the management programmes, its effectiveness and relevance to current businesses. In this chapter, we review the current state of management education in an attempt to understand the reasons for this demand–supply mismatch. We also review the current state of management research to understand the reasons behind research–practice gap. While presenting our review, we specifically focus on teaching and research in the areas related to quantitative methods in management. Such a review is particularly important in the light of the claims made by the employers that the management curriculum is biased towards quantitative methods. Opinions like this, when most of the Indian businesses use methods and processes that have become obsolete for their international counterparts, point towards a systemic problem not only with the curriculum and the pedagogy adopted for its delivery but also with the management research. Being instructors of courses on quantitative methods ourselves, we agree that the arguments presented in this chapter may have an inevitable bias but we have tried to be as a neutral fact finder as possible. Our discussion in this chapter is centred on the following questions.

- What is the utility of quantitative subjects taught in management courses considering their applications in the industry?

[1]"B-schools increasingly loosing shine in India, says ASSOCHAM" Wednesday, January 30, 2013, <http://assocham.org/newsdetail.php?id=3877>.

This question carries the most fundamental debate between academicians and practitioners in management domain about the utility (or the lack of it) of the quantitative concepts and techniques taught in management. Our arguments to this question are primarily restricted to the domain of Indian industries.

– What is the opinion in terms of application of quantitative subjects in management vis-à-vis in engineering or basic science?

This is an extension of the previous question where we compare the utility of quantitative disciplines in specialized courses, i.e. engineering or basic science, vis-à-vis in management.

– How management students perceive this so-called bias towards quantitative discipline?

This question is to see the reaction of the supply side towards the quantitative management discipline. We generalize this issue to a larger domain by trying to understand the impact of standardizing courses along with increasing student diversity in terms of education, background, skill set, capabilities, etc.

– How quantitative research in management is contributing towards the resolution of industry problems in India?

While trying to respond to this question, we try to understand the position of quantitative research both in academia and in practice. Specifically, we try to understand where it lacks to address industry concerns.

This chapter is organized as follows. In the remainder of this section, we provide an introduction to the typical structure of management courses in India. In Section "Management Programme and Quantitative Courses", we review the course content and pedagogy used to teach quantitative courses in management. In this section, we also present our observations regarding their suitability for the current businesses. In Section "Courses on Quantitative Methods and their relevance in Management Education", we review the current state of management research and present our observations about the research–practice gap. In Section "Relevance of Quantitative Courses: An Industry View", we summarize our observations on management education in India.

Management Programme and Quantitative Courses

Management education in India is primarily dominated by two-year-long full-time programmes. These programmes are usually open for candidates with an undergraduate degree in any stream. Applicants with or without any prior work experience are eligible for these programmes. The curriculum for these programmes is typically divided into two years, which are separated by an industry internship. The first year of the programme is composed of compulsory courses from different functional areas and associated streams, while in the second year participants opt for courses of their choices from the set of elective courses on offer in that year. In this chapter, while we use the two-year full-time programme as a point of reference to base our arguments, we believe that our arguments remain valid for other programmes such as the one-year postgraduate programmes for executives, one- or two-year postgraduate programmes with specialization and part-time and certificate programmes as well.

In the gamut of courses taught in the first year of postgraduate programmes, quantitative courses constitute a significant percentage across premier business schools. When we explore the list of compulsory courses in different business schools, we find that operations management (OM) is offered in all institutes with some variation in the course name. In addition to that, other compulsory courses on quantitative methods include basic mathematics, an introductory course on probability, basic statistics, operations research (OR), etc. While courses on operations management deal with the problems occurring in the operations domain of business, the other courses essentially focus on concepts, tools and techniques that are directly or indirectly used for solving problems occurring across different functions. In addition to these compulsory courses, management institutes also offer elective courses in the second year of the programme that delve deeper into some of the aspects covered in the compulsory courses, such as courses on logistics and supply chain management, project management, service operations management, revenue management and dynamic pricing, data mining, production and inventory control, operations strategy, to name a few.

Apart from the flagship two-year-long programmes, management institutes in India offer one-year-long full-time programmes for executives, short- and long-duration certificate programmes, management development programmes and doctoral programmes in management. The course offering for one-year-long full-time and part-time programmes for executives is similar to those offered in two-year-long programmes, although the weightages of different topics differ. Also, subsets of these courses are offered in management development programmes along with some specialized courses to meet specific demands of the programme. However, the quantitative courses for doctoral programmes in management differ based on the area of specialization. For example, candidates specializing in operations and quantitative techniques cover the above-mentioned basic/introductory courses along with more advanced courses on these topics in addition to courses on linear algebra, real analysis, data structures and algorithms, advanced data analysis, econometrics, etc. Candidates majoring in finance, economics, public policy and management and human resources management also opt for advanced courses on quantitative research methodology, data analysis, econometrics, etc. in addition to the prescribed basic courses. From the portfolio of subjects mentioned, introductory quantitative courses for postgraduate and certificate programmes aim at providing the candidates familiarity with the methods used in the practice of business either explicitly or implicitly. Whereas advanced courses for doctoral programmes are designed to build a theoretical grounding of these methods as well as of methods that are used in management research, so that doctoral candidates are empowered for further extending the research boundaries.

From the perspective of institutes and faculty members, quantitative courses are offered by department(s) with a specialization in operations management and allied disciplines. Operations management itself is a very broad term and we use it to refer collectively to independent disciplines such as operations research, statistics, and core operations management including supply chain management and operations strategy. Faculty members from other groups like information systems, marketing, and finance often collaborate with faculty members from operations management department to offer courses and to pursue cross-functional research.

Given this overview of typical course offering in management institutes, in the next section, we provide a bird's eye view of the content of courses on quantitative methods and try to establish their relevance for managers working in different functions of businesses.

Courses on Quantitative Methods and Their Relevance in Management Education

The basic courses in quantitative methods that are offered in management institutes across the world can broadly be categorized into four streams: basic mathematics, probability and statistics, operations research (OR) and operations management (OM).

Basic mathematics deals with the essential concepts of arithmetic, algebra, calculus, coordinate geometry, linear algebra, etc. Probability and statistics covers the idea of probability, discrete and continuous random variables, description and summarization of data, descriptive statistics, hypotheses testing, analysis of variance, regression, forecasting, etc. Operations research primarily deals with decision-making tools and techniques such as linear programming, integer programming, decision trees, simulation, queuing theory, etc. An important part of OR called, computational OR, which deals with the implementation of OR tools and techniques, significantly overlaps with information systems. For example, applications of large-scale optimization (commonly used for solving real-life problems), graph theory, etc. require knowledge of data structures, algorithm and other concepts from information systems area of management education. Operations management delves into process flow management, inventory management, quality control, capacity management, supply chain management, operations strategy, etc.

If we look at the origin of these courses, most of these courses were initially taught as a part of the industrial engineering curriculum and focused on industrial applications of the underlying scientific principles. Most of these courses were developed to cater the needs of industrial revolution during the nineteenth and twentieth century. However, with changes in industry structure and practices over time, questions are raised about the utility and relevance of some of these courses in management. We elaborate on each of these doubts by classifying them into different levels. The first doubt is raised about the relevance of these topics in management education. In case these topics are relevant, then the delivery should be at what level of details and whether it should depend on the profile of the participants.

The reason behind these questions goes as follows. While operations management does deal with a functional area of business, for candidates specializing in finance, marketing or human resource management, courses on operations management should not be compulsory, as these graduates primarily do not use these concepts in their professional life. Similarly, while courses on statistics should be a part of the compulsory curriculum, many feel that the focus should be on teaching the software packages available for executing the statistical techniques and they find the stress on probability and the mathematics behind the tests and techniques unnecessary. On a similar note, some find teaching of topics like linear programming, integer programming, queuing theory, etc. of very limited use for management graduates. Their argument being managers in current businesses does not use these techniques and even those who use them do this with the help of software packages. They also feel that the content of courses on basic mathematics, except those involving arithmetic topics required for courses in accounting, finance, economics, etc., lacks relevance for management graduates. We try to understand the veracity of these arguments from multiple stakeholders, i.e. students, management educators and business community.

In the following paragraphs, we do some fact-finding exercises to comprehend the relevance of each of the major courses on quantitative methods with respect to graduates planning for careers in different functional areas of management, i.e. human resources management, marketing, finance and operations. For critically assessing the relevance of these courses, we refer to the discussions reported in scholarly works in addition to presenting along with our comments.

Operations Management

We agree that management graduates taking up jobs in the conventional areas of human resource management (HRM) may not directly or indirectly use the concepts taught in courses on operations management for initial years in their career. In fact, many academicians involved in teaching of OM and HRM courses as well share this belief. A closer look at the publications of academicians in the two areas reveals that their research focuses on their respective area with a very rare existence of cross-functional research or teaching. Yet, these areas are quite interrelated in practice with operations providing the context and human resource providing the people. Some recent scholarly studies also elaborated on this interaction (Boudreau et al. 2003; Ahmad and Schroeder 2003; Lovejoy 1998). In our understanding, acquiring the limited knowledge in a functional domain should suffice only for the initial phase of a manager's career when she is more into administrative roles. Once she progresses to more senior positions demanding coordination of different functional departments and gets involved in decision-making, knowledge and understanding of concepts taught in other disciplines including operations management is required. For example, it is commonplace for an HR manager to be faced with the demand for more manpower in two or more departments simultaneously, while the HR manager keeps a mandate to herself to restrict the manpower increase. The HR manager has to make her decision based on the requirement analysis submitted by the departments and her assessment of these demands. Knowledge of process flow and other topics covered in operations management courses not only helps her making the decision but also justifies it. A good background in operations management also prevents her from being manipulated by the data. Needless to say, the further up one moves in their career, the role of the knowledge of all the functions of business changes from that of a facilitator to that of an essential building block. In particular, if one wants to lead an organization or a start-up, one must have a proper understanding of its operations and most of its basic knowledge is covered in operations management at a conceptual level.

The need of good understanding of operations management for those planning a career in sales and marketing domain is more intuitive. Apart from the early years of their career, sales and marketing professionals have to be in constant touch with their counterparts in operations. Moreover, the engagement becomes necessary when two sets have contrary views on problems at hand. For example, sales and marketing professionals look for the product delivery dates from the customer side and promise dates that the production professionals find difficult to meet. Similarly, frequent changes in the delivery dates and expedited orders will help retain the customer, but disrupt the production schedules and hence delay deliveries of other orders. Such situations create tension between production and marketing, and they start looking at each other as rivals forgetting that they are part of the same team. A sales and marketing professional with good understanding of production and operations management can understand the impact of unrealistic delivery dates and frequent changes in delivery dates on the production schedule and hence on the delivery of future products. So a synchronized decision making by the two departments will enable the organization to avoid delays in negotiating the deliverables to the customers. Academic literature identified the importance of dependency between marketing and operations a decade back. In 2002, a special issue of the Journal of Operations Management was released (Malhotra and Sharma 2002) highlighting the value of harmony and trust within these functional areas on firm performance. A series of papers were identified providing empirical evidence for the same and sketching research guidelines for several important issues falling within the interface of marketing and operations. The paper by O'Leary-Kelly and Flores (2002) examined the moderating effects of business strategy and demand uncertainty on the relationship between the integration of manufacturing and marketing–sales-based decisions and organizational performance. Another paper (Hausman et al. 2002) presented empirical evidence of manufacturing/marketing harmony towards firm performance and the factors that influence or are influenced by this interface. There are many more examples of cross-functional research in OM and marketing as well as there are quite a few examples of cross-functional courses offered in management programmes such as courses on pricing, services management and marketing, revenue management, etc. Such courses effortlessly establish the need of grounding in operations management for marketing professionals.

Need for understanding operations management for those aspiring for jobs in the finance and accounting domain is straightforward, be it for identifying the loss-making operational issues or profit-making product categories. For example, working capital management initiates from the concept of inventory management. Dependency of firm profitability on account receivable, accounts payable and cash conversion cycle has been established in many scholarly articles (Lazaridis and Tryfonidis 2006; Deloof 2003).

Finally, those aspiring to venture into entrepreneurship need to understand all aspects of business including operations to run the venture efficiently.

From a contextual perspective, with most of the jobs being created in e-businesses and with Make in India promising huge job creation in manufacturing sector, it is imperative for management graduates to have basic understanding of operations management.

Probability and Statistics

There is no doubt that some basic knowledge of probability and statistics is necessary for any business graduate particularly in this era where businesses have the mechanisms and infrastructure to not only collect and store data but also have access to databases provided by research and analysis organizations. Such data provide managers the opportunity to put the problem in the right environmental context by identifying the trends and patterns in the variables involved.

The usefulness of courses on probability and statistics for those planning to work in finance and accounting domain is accepted by all. While statistics and econometric models are widely used for forecasting, time series analysis, etc., concepts from probability theory are extensively used in option pricing and portfolio management. The course of stochastic finance, a very popular elective course among students aspiring for jobs in finance domain in leading business schools, is based on advanced theories in probability and statistics.

For management graduates planning for career in sales and marketing, knowledge of probability and statistics is imperative since forecasting techniques, design of experiments, hypothesis testing, analysis of variance, conjoint analysis, cluster analysis and other statistical techniques are used on a regular basis for market research. With a lot of market information such as product reviews, feedback, etc., available over social networking sites, today's market research involves even advanced statistical methods to draw inferences from the comments using advanced techniques of content analysis. Using data mining, statistics plays a pivotal role in observing and understanding what a customer is doing to frame marketing strategies accordingly (Linoff and Berry 2011).

Similarly, statistical methods are an essential part of the analyses done by the HR managers, be it the analysis of data collected by survey of employees regarding their job satisfaction or be it the design of questionnaire for the exit surveys.

Operations Research

Operations research (OR) as a stream primarily deals with tools and techniques for decision-making. In particular, it deals with optimization problem and its variants. Based on the information using which decisions are to be made, applications of OR can be classified into two distinct areas: decision-making under certainty and decision-making under uncertainty. By certainty, we mean situations where exact information is either known or is assumed to be known. In case of uncertainty, information is known only to a limited extent. For example, let us assume that we need to know the annual demand for a product for the next year for making some decisions. If we know the exact demand (say, the demand is for 600 units), the problem becomes that of decision-making under certainty. However, if we do not know the demand but know the possible values that it may take (say, the demand could be either for 400 units or 700 units, depending on whether we win a particular contract for extra 300 units or not), it becomes a decision problem under uncertainty. In general, to solve such problem, we assign a probability distribution to identify the possible values that the demand can take and transform the problem into that of decision-making under risk. For instance, in the previous example, on the basis of historical data or experts' views, we believe that there are 40 % chances of winning the contract, and then we can assign a distribution such as the demand could be for 400 units with probability 0.6 and for 700 units with probability 0.4. Decision-making under certainty includes linear programming, integer programming, goal programming, network flow problems, while decision-making under risk includes decision trees, dynamic programming, project management, simulation, etc. Decision-making under certainty broadly sets up the necessary background for optimization and therefore also takes a major share of the courses offered in management education.

The utility of OR for management graduates planning for a career in marketing has long been established. Applications of OR in marketing have been documented even in papers published 50 years back (Mercer 1966). Many of these applications are targeted at estimating the demand as a function of price, and impact of marketing effort on revenue, which also gave birth to a new area in 1980s called "Revenue Management and Dynamic Pricing" (Phillips 2005; Talluri and Van Ryzin 2006). This area uses sophisticated OR models for revenue maximization by identifying optimal pricing strategies across four dimensions: product type, customer segment, distribution channel and time. With the increase in competition due to online platform providers and the feasibility of changing prices quickly, it has become a very important marketing tool. Other very commonly used applications of OR in marketing include coupon selection for promotion, advertisements placement, scheduling to reach the desired number of potential customers and pricing of bundled products.

Tools and techniques covered in OR form the basis of many theories used in finance. For example, portfolio theory, introduced by Markowitz in his papers (Markowitz 1952, 1987), is explained through a quadratic programming problem.

Different variants of this problem are attempted through various optimization techniques such as linear programming, mixed-integer linear programming and stochastic programming. Asset liability management is another example that makes extensive use of OR techniques (Ziemba and Mulvey 1998). Specific applications of this area include decision problems faced by an investment manager, pension fund managers, to name a few. In fact, OR applications in finance are so common that standard texts as well as instructors of courses on decision-making under uncertainty, stochastic programming and simulation use examples from finance to explain the tools and techniques used for tackling the uncertainty in parameters, e.g. uncertainty in return rates, associated risks, etc. Moreover, availability of data along with clear objectives such as minimizing the risk or cost or maximizing the return, clear relationships between different financial variables not only makes finance an attractive application field for optimization models and techniques but has also given impetus to research in these areas.

Applications of OR in human resource management primarily involve workforce planning problem with behavioural level constraints (Gans and Zhou 2002). Public policy has a gamut of areas where OR techniques are effectively used. We see significant number of scholarly publications and practical implementations in areas such as urban planning (Rosenhead 1981), traffic control (Jayakrishnan et al. 1994), transportation networks (Mandl 1980), health care practices (Rais and Viana 2011) and judicial systems (Maltz 1996). These applications involve several concepts of operations research, such as optimization techniques, queueing theory, network flow problems and data envelopment analysis, etc.

Relevance of Quantitative Courses: An Industry View

While most of the applications that we mentioned above in establishing the utilities of the courses for management graduates refer to the applications either cited or proposed in scholarly work, we also tried to assess the industries' view on this issue, and we found some encouraging search results in form of white papers. In human resource management, applications of operations and quantitative techniques are discussed in the context of business process outsourcing (BPO). In marketing, relatively larger number of white papers is released by consulting firms and product companies (e.g. SAS and IBM), and most of these papers focus on the areas of marketing operations and sales and operations planning. The convergence of marketing and operations strategy through the effective use of information systems is also discussed. In that way, many papers uploaded in Euromonitor discuss innovative usage of statistics in answering problems faced by marketing managers. Statistical tools and techniques are also used for deriving interesting insights for social media marketing. In finance, primarily the white papers showcase the utility of financial products developed by companies. Most of these products involve a substantial level of operations research and statistics. To summarize, these white papers and industry articles show significant applications of operations management and allied areas across domains. While this is the progress in the right direction, we feel that the full potential of academic research output is still not being leveraged.

In this section, we started by trying to understand the relevance of quantitative methods in management education. We did so, not to defend the importance of quantitative method in management but as it helps us to understand the limitations better.

Increase in competition forces firms to use more sophisticated data-driven strategies to survive. Advanced data warehousing techniques facilitate this process by providing ample data. An increase in profitability through price differentiation with respect to competitors becomes less viable with high price visibility through online platforms and price war. In this scenario, cost plays a significant role in firm profitability. Synchronization of supply chain echelons, better forecasting for demand management, reduction in inventory holding cost without compromising on service level are results of quantitative tools and techniques learned in operations management.

Although one may argue that 95 % of input population in a premier management school has an engineering degree and hence has sufficient quantitative background to understand the complexity of practical problems. The argument is partially correct with the focus of engineering discipline biased towards solving a defined technical problem. After seeing batches of management graduates and corporate in-company participants, we feel that it is not the inability of using the technique but failure to understand the applicability of a methodology given a problem context hinders them to use quantitative models appropriately. An engineering student is taught most of the quantitative courses at an undergraduate level and is not exposed to managerial problems that require structuring of a situation to facilitate quantitative model application. Different teaching pedagogies are tested to impart this understanding to a management graduate, which include case study discussion, learning through simulation games apart from conventional classroom teaching. Also, we accept the customizations required to teach quantitative methods to students from various backgrounds having different job aspirations. For example, the ratio of engineers to non-engineers and types of jobs offered after graduation vary significantly from one management institute to the other. Coming up with a standard set of topics to teach quantitative methods is difficult and sometimes undesirable too. Learning theory and application of quantitative methods demand time and rigour that justifies the effort invested in class or outside class hours by the students. In our view, this corroborates the difficulty that an in-company participant faces in general while attending training in quantitative methods. From our personal experience, teaching rigorous quantitative methods is a difficult task to a set of corporate participants primarily because of two reasons: limited time and a narrow focus on learning while attending an in-company training programme. Hence, the conventional methodology of teaching quantitative methods has to be changed for training programmes, which in our understanding, is not properly addressed till now.

Even though an attractive picture is portrayed about the scope of quantitative methods in management education, the outcome seen in real life is not so satisfying. Hence, teaching concepts of quantitative methods and extracting value through teaching quantitative methods are seemingly two different techniques with latter involving significant increase in effort and innovation than the former. Instructors should be encouraged (or incentivized) to write more case studies to get an understanding of the practical difficulty of using quantitative tools. Bennis and Toole (2005) raised this issue in a broader context of management, but a similar rationale is applicable here as well.

Quantitative Methods: Delivery in Management Education *vis-à-vis* in Specialized Streams

In this section, we attempt to understand the role of quantitative methods in delivering value in management education vis-a-vis to that in basic science and in engineering, which we will refer to as specialized streams.

To understand the effectiveness of teaching quantitative methods in specialized streams vis-à-vis in management, we focus on the skill set requirements of the jobs offered to the students after course completion. For students from specialized streams, generally the jobs they opt for are related to their technical streams or jobs from information technology (IT). For students going to technology field, typically there is a direct application of courses along with quantitative methodologies learned. The courses are also aligned to the requirements of the technical firms, as faculty members are actively involved in consulting and research activities for those firms. We agree that skill set required in IT jobs is not very specific to the training imparted in other streams apart from the development of general analytical skills. But in our conjecture, this digression is not systemic but a temporary response to a mismatch in supply and demand in jobs in IT sector. To summarize, we believe that conventional teaching of quantitative methods in specialized streams is appropriate because of the following characteristics:

(a) Course content is specific to a particular discipline and hence is more structured.
(b) The jobs offered are mostly technical in nature and require a certain amount of quantitative methodology to address those.
(c) The practical problems faced in those domains are quite clearly defined.

An attempt to map these success factors in management provides us a platform for evaluation. The first problem encountered in a management programme is to provide the quantitative rigour to a gamut of courses in entirely different disciplines. The problem is further aggravated due to the shorter duration of the programme and limited classroom contact hours. Unlike specialized streams, the quantitative methods in management should cover concepts, tools and techniques required to understand topics in finance, operations, marketing, behavioural science, economics, human resource management, etc. The second problem is rooted in the motivation for participation based on their desired job profile after graduating from a management institute. If we see the placement record of any reputed management institute, it is a rarity that a management graduate opts for a technical job that requires very specific quantitative knowledge. This situation makes the job of the instructor even more challenging as participants do not feel motivated to participate in these courses. Finally, the structural issues of managerial problems and their inherent ambiguous nature and the subjectivity that they involve making it harder to teach quantitative courses that are perceived as objective. We will again take up the last two issues in the next section to understand the perspective of a management educator.

The fundamental question still remains regarding the positioning of management graduates in industry. We acknowledge the fact that they are not supposed to compete with professionals with specialized training that is delivered through master's or PhD programmes in specialized areas. But they are expected to be in a position where they can identify the requirement of specialized knowledge and understand and interpret the comments and solutions provided by the specialists and also understand the limitations that come along with such solutions. In a way, management graduates are expected to bridge the gap between industry and academia in quantitative research and management in India. Therefore, quantitative courses should be customized to cater to these specific needs. Each course cannot be as detailed as a course offered in a specialized stream but should cover enough breadth so that relevance is not lost. Management institutes in India understand this problem, and the effort is channelized to identify the right mix of quantitative subjects with appropriate teaching pedagogy.

Do We Feel the Heat?

Understanding the relevance of courses on quantitative methods and the difference of their offering in management education vis-à-vis specialized streams, we now focus on stakeholder analysis in this section. Primarily, we consider three stakeholders in the process: students, educators and industry.

It is a known fact that students in premier management schools are likely to have a positive bias towards quantitative courses in management given the nature of the entrance examination (CAT) they come through. CAT has a high percentage of quantitative questions considering logical reasoning as a part of quantitative analysis, and typically the cut-off percentile is very high for premier management institutes. Due of this supply bias, most of these institutes see an overwhelming percentage (more than 90 % on average) of engineers with no prior work experience getting admitted for management courses. Although this reduces the initial effort required to introduce a course on quantitative methods, the lack of prior work experience does not enable them to appreciate the contextual importance of the application of quantitative methods. Instead, many a times the participants get so involved in the method or so focused in reaching to the solution of the methods that they completely ignore the context. And because of this lack of appreciation, they sometimes also express their doubts regarding the applicability of these methodologies to the kind of job profile they would like to opt for.

In our view, a management student with sufficient exposure to quantitative methods should offer two capabilities: an analytical approach giving structure to a situation and awareness of concepts, tools and techniques applicable to resolve a problem. While management graduates carry the repute of having a good analytical skill, their expertise to solve the problems using quantitative methods is not very well established apart from particular domains like financial and business analytics. We believe that the following factors contribute to this collective failure in various forms.

(a) Apart from investment banking jobs, the primary focus of a management graduate is to get a job offer with a general management or consulting role. Seldom we find a student who wants to pursue a career being an optimization programmer or wants to develop her solution product. We understand that this expectation is in sync with the vision of management education in general but acts as a deterrent for choosing jobs with heavy quantitative focus even if the student has both capability and interest. Also, specialized jobs with quantitative orientation attract competition from students from other specialized disciplines.
(b) Trust, vision and continued support from top management are essential in realizing the benefit by using quantitative methods. In our understanding, success from these methods requires access to technology, right people with skill set and problem suitable for implementation. Top management has to take the risk by investing upfront with uncertain benefits, as sometimes the insights derived are not of much value to the firm. This argument is particularly valid for Indian firms and requires a shift in the industry mindset to create an ecosystem of technology and people.
(c) Although teaching quantitative method has evolved with changes in teaching pedagogy (e.g. usage of case studies in the course curriculum and simulation game to understand cross-functional interdependence), this effort may not be enough to train students to handle practical problems with large complexity. In fact, while teaching quantitative methods, the focus remains on getting the right solution for a small problem or a case study. Students miss out on the training of extracting relevant information from an unstructured situation.

The problem remains similar for other management graduates like participants in one-year management programme of executives. In the last ten years, management institutions started one-year postgraduate programmes for experienced professional working in the industry for a minimum of five years with average work experience lying around 8–9 years. Although they lack the grounding required to understand some quantitative concepts, they seem to appreciate the utility of some quantitative techniques through their experiential learning. In our view, they may be a good source for the educators to understand industry requirement or expectation from quantitative courses.

Instructors also had a mixed view regarding the effectiveness of course content and teaching pedagogy in quantitative courses. A number of cases are introduced into the course curriculum in an attempt to make the courses more application centric. Given the fixed classroom hours, it becomes difficult as it is a trade-off between focusing on application content or devoting more time to theory. To cater to both the requirements, it requires a change in the pedagogy, with some theoretical components, should be learned by students themselves outside classroom hours.

From the industry side, the relevance of quantitative methods in solving practical problems is not broadly recognized apart from some particular sectors. In our view, the problem lies not with the quality of academic output but with the enablers required to make it usable by the industry. For example, e-commerce industries have a logistic wing that delivers products in various locations across the country to cater customer requirements. In some cases, they promise a delivery within a few days. Given this situation, they require sophisticated transportation planning with delivery route optimizer to reduce the delivery cost. In the academic side, transportation problem is a very well-researched area with several algorithms developed in last few decades. We view this issue as a problem of integration as very few are able to utilize the advancement in theoretical knowledge because of the absence of a solution (or product) usable by the industry. This integration is possible if the collaboration is enhanced by choosing a set of people from industry and from academia through some research centres. In India, the problem becomes more acute as funding for the centres is not in abundance.

Management Research in Quantitative Methods

Along with teaching, research activities play an important part in the portfolio of a management educator. Quantitative research in management area is considered to be a very active research field given the number of scholarly publications appeared every year. Broadly three distinct trends are visible in quantitative research: theoretical research for conceptual advancement, decision support system to address a generic class of problems and action research to address a particular problem. The research outputs are in forms of published journal article, published case study, white papers or simulation products. As discussed in the previous sections, disconnect between the research output and solution to address industry problem still remains. Acknowledging this problem, reputed journals have initiated evaluating the quantitative research works in management discipline with a specific focus on managerial insights. In journals such as *Interfaces*, articles are considered for possible publication only if the research work has been considered for implementation, and organization derives tangible values. Increasingly, journal editors are pushing researchers to provide a set of implemented guidelines understandable by the managers through their research work. While these activities will be considered as a positive step towards bridging the industry–academic gap, unfortunately, the research ecosystem still has certain improvement areas. For example, action-based research is not greatly appreciated if it does not carry sufficient theoretical contribution. This in a way discourages academicians to take up those assignments that act as a deterrent to fill up the void.

We need to rethink about the research environment that management education desire without compromising on that quality of output. From the industry perspective, this uncertainty in the utility of the output delivered by academia led them to go for consultancy firms. In some instances, faculty members are hired to address specific industry problems but those are mostly individually driven instances rather than a systemic collaboration. We also observe a gradual but necessary change in research agenda over the years due to technological intervention. Because of the technological evolution of computational power, analytics came up as a separate domain and now started influencing research interests in operations management (Mortenson et al. 2015; Iansiti 2015).

Being an emerging economy, India draws much attention in some sectors like automobile, e-commerce, etc. Because of the absence of significant collaborative activities and confidentiality, this data is not much accessed by academia. Also, the leading researchers in USA and in Europe primarily guide research directions in India. Although the direction, in general, follows whatever is happening in the industry, it may lack certain requirements specific to Indian industry. For example, some theoretical work on closed loop supply chain and remanufacturing may contribute significantly to the existing theory but of little relevance to Indian industry because that market is not evolved to adapt some concepts and practices. It is a trade-off between academic acknowledgment and practical utility that academics should rethink in the context of emerging economy.

Concluding Discussion

In this chapter, we attempt to understand the relevance and applications of quantitative disciplines in the broad paradigm of management. We segregate quantitative management into three disciplines: operations management, probability and statistics and operations research. We elaborate on the relevance of these disciplines in management education and practice by identifying contributions made in academia and industry. We found that although there is progress in the application of quantitative methodology in the industry and academia, the progress rates are different in most of the sectors. Also, the problems attempted in academia and the issues faced in the industry are different in nature and hence are not complementing each other. To understand the reason behind this gap, we consider a stakeholder's view to see their contribution or reaction to the current state of quantitative management.

For this purpose, we have identified three primary stakeholders in the whole process: participants (students), instructors and industry. For students, although the input bias works in favour of quantitative subjects, still they are unsure about the application because of lack of exposure. Teaching pedagogy plays a vital role in this context. Although still majority of the students going for management education are engineers, this composition is changing over the years because of external interventions, created by management institutions and government. Different variations of management programmes are designed to cater to the needs of working or experienced professionals, i.e. distance MBA or PGP for executives, etc. This variation in programme structure suggests customization of teaching modules in various quantitative courses. The challenge to both student community and instructor is to adapt to this scenario with changing student composition, job profile, technology, competition, etc. Instructors realize the change in existing position of quantitative courses in management and subsequent need of changing pedagogy, bridging the gap in industry. We explore the possibility of flip classroom concept essential to include application module into the standard delivery model of quantitative courses. Following this concept, the role of an instructor will be changed to a facilitator to discuss the application areas through case pedagogy. The students will learn the basic theory through offline video and hence does not require classroom hours. It imparts more responsibility to the students in the learning process, and instructors need to put extra effort to incorporate those changes.

The mismatch between industry expectations and academic contributions is still significant which can be resolved by using some enablers. In our view, most of the academic achievements fail to be implemented because of two reasons: (a) The problem addressed is not same as faced in industry and (b) Even if the solution is there, nobody is responsible for an end-to-end solution. The requirement of research centres becomes important to address such issues as it provides an interactive platform for both industry and academia with a specific focus on getting solutions to industry problems. Along with teaching, our research focus should also be reviewed periodically to see its relevance to the problems occurring in the industry. When we attempt to explore the best practices in teaching and research of operations management across the globe, we see a distinct pattern of the way the effort is given to addressing the issues. Individual institutions act as centres of excellence for teaching contemporary topics in operations management. For example, Harvard Business School is known for focusing on contemporary issues and publishing articles valued by the managers. Their experimentation with teaching pedagogy is reflected in extensive case-based teaching, an introduction of simulation to give a feeling of real-life uncertainty and dynamics. Whereas in case of research, it is not a particular institution but a cohort of academicians with similar interest areas guide the research directions in different areas of operations management. The editorial boards of reputed journals in this area, e.g. management science, operations research, production and operations management, etc., have a mix of faculty members from all over the world. Saying this, we realize that its counterpart from USA and Europe mostly dominates current Indian research. In most of the management institutions, the research incentive is aligned with an objective to publish in top-tier journals. While this incentive design is appropriate from the academic point of view, institutions should also create incentives for researchers with a focus on application-based contribution specific to Indian industries.

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Teaching Economics in a Management School: Some Personal Quandaries

Partha Ray

Abstract The paper looks into the issue of the relationship between economics and management studies in a management school. Instead of attempting any grand view, the paper seeks to look into three distinct questions viz.,: (a) usefulness of learning economics in a management school; (b) utility of case studies as a pedagogical devise in the study of economics; and (c) relationship between finance and economics as distinct disciplines. The broad inferences of the paper are the following. First, while learning economics would be of use to a student of management as a background, its usage and application need not be exaggerated in the sense that knowledge and running of a corporation are quite different from knowledge/running of the whole economy. Second, while traditionally economics is taught in a deductive manner, usage of case studies to teach economics could be worthwhile in a management school. Third, despite the close links/parentage, finance as discipline has been able to establish its adulthood from economics; however, the recent disjoint between finance and economics have turned costly for both to the disciplines.

Keywords Finance · Economics · Case study · Global financial crisis · Welfare

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Introduction

At the risk of stating the obvious, to begin with, it may be noted that strictly speaking the discipline of economics is not a management discipline.[1] An archaic but non-believer way to describe it could be to give it a status of a "subsidiary discipline," while to a sympathizer, it could be seen as a "mother discipline." But then that kind of relationship could be relevant for other braches as well—the relationship between "operations research" and "operations management" could be a case in point here. Thus, *a priori* it could be difficult to discern the relationship between Business Management and economics as one of offspring-parent or near/distant cousins.[2]

Nevertheless, there is an influential view that management as a discipline is of recent origin; as per this view, the birth of the discipline can be traced among others in the writings of the French engineer turned Manager Henri Fayol (1841–1925) (Wren and Bedeian 2009). To Fayol, management theory is essentially "a collection of principles, rules, methods, and procedures tried and checked by general experience." But what is meant by management principles? I turn to Fayol,

> For preference I shall adopt the term principles whilst dissociating it from any suggestion of rigidity, *for there is nothing rigid or absolute in management affairs, it is all a question of proportion*. Seldom do we have to apply the same principle twice in identical conditions; allowance must be made for different and changing circumstances. …. Therefore principles are flexible and capable of adaptation to every need; it is a matter of knowing how to make use of them, which is a difficult art requiring intelligence, experience, decision and proportion. Compounded of tact and experience, proportion is one of the foremost attributes of the manager (Fayol 1916; emphasis added).

Perhaps, over the years this flexibility in the discipline of management has emerged as both its strength and weakness—strength could have come from the discipline's applicability in real instances and source of weakness could be from lack of formal theories in the Popperian sense of the term. In fact, many of the allegations that Popper made against Marx, Freud, and Adler are perhaps true for management science as well. It is useful to remind us what Karl Popper said about inadequacy of selective reading of evidence and of experience:

> The most characteristic element …. seemed to me the incessant stream of confirmations, of observations which "verified" the theories in question; and this point was constantly emphasize by their adherents. A Marxist could not open a newspaper without finding on

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[1]A distinction is made in this context between a "management school" and a "business school." Intuitively, the curriculum for study of "business" is far narrower (or "focused" to a believer) as against study of management as a discipline. However, conceptually, business administration is a determinative function, while business management is an executive function.

[2]I have heard many a talk from a management expert on a contemporary economic issue that starts with a caveat, "I am not a macroeconomist." A macroeconomist speaking on a contemporary business issue is also seen to have started with a caveat, "I am not a management expert." Such caveats often smack of false modesty and a presumed sense of superiority of one discipline over the other.

> every page confirming evidence for his interpretation of history; not only in the news, but also in its presentation — which revealed the class bias of the paper — and especially of course what the paper did *not* say. The Freudian analysts emphasized that their theories were constantly verified by their "clinical observations." As for Adler, I was much impressed by a personal experience. Once, in 1919, I reported to him a case which to me did not seem particularly Adlerian, but which he found no difficulty in analyzing in terms of his theory of inferiority feelings, although he had not even seen the child. Slightly shocked, I asked him how he could be so sure. "Because of my thousand-fold experience," he replied; whereupon I could not help saying: "And with this new case, I suppose, your experience has become thousand-and-one-fold" (Popper 1962).[3]

Does this mean that study of management principles is non-scientific or loose? Is its falsification and discerning of underlying causal relationship difficult? Is it like learning a craft and "learning by doing" has huge importance in its study?[4] While such questions do arise, one is not at all clear about the answers and depending upon personal affiliation of the exponent the answers often vary and one is reminded of Blaise Pascal who said, "the heart has its reasons which reason knows nothing of… we know the truth not only by the reason, but by the heart." In essence, thus, this essay presents personal dilemmas and confusions rather than any definitive answers.

Another major difference between the study of management principles vis-à-vis that of economics perhaps lies in welfare implications of the respective disciplines. After all, management is typically taught from the viewpoint of private corporate sector where shareholders' value maximization occupies centre stage. On the contrary, even if neoclassical economics starts with the primacy of market as an institution, maximization of societal welfare (a la Pareto's principle of optimality) is an essential element of it. Furthermore, while macroeconomists often take a public policy viewpoint, students in a management school learn to view everything from the point of view of managers. Does this mean economics is a more ethical discipline than management? The answer seems to be far less obvious. Suffice to it say that study of externalities of market outcomes perhaps is a far more important issue in study of economics (even in its most traditional neo-classical garb) than study of management. But even here management as a discipline seems to be doing some catching-up—study of sustainable management is a case in point.

With this backdrop, the present essay looks into a single question: What is the relationship between economics and management studies in a management school? Instead of attempting any grand view, the present essay seeks to look into three distinct issues: (a) usefulness of learning economics in a management school; (b) utility of case studies as a pedagogical devise in the study of economics; and (c) relationship between finance and economics as distinct disciplines.

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[3]See Grünbaum (1976) for a critique on Popper's theory on falsification.

[4]In this context, one is reminded of Fayol's 14 principles comprising, division of work; authority and responsibility; discipline: unity of command; unity of direction; subordination of individual interest to general interest; remuneration; centralization; scalar chain; order; equity; stability of tenure; initiative; and team spirit.

The rest of this chapter is organized as follows. Sections "Usefulness of Learning Economics in a Management School", "Usage of Case Studies in Teaching Economics" and "Finance and Economics: Siamese Twins or Distant Cousins?" are devoted to the three questions posed above. Section "Concluding Observations" concludes the study.

Usefulness of Learning Economics in a Management School

To begin with, it may be useful to distinguish between microeconomics and macroeconomics.

Microeconomic theories of firm have immense application to the study of management. Revenue and cost functions, various market forms, strategic interaction via game theory, and the likes have huge relevance to management. More recent microeconomic theories of firm based on asymmetry of information gave birth to, what has come to be known as, "agency problems" wherein there are conflict of interests between managers and shareholders of a firm (Jensen and Meckling 1976; Williamson 1964). In effect, "the firm is viewed as a team whose members act from self-interest but realize that their destinies depend to some extent on the survival of the team in its competition with other teams" (Fama 1980). But if the functioning of a firm is couched entirely in terms of agency problems, what is the role of good managers? What is the role of "managerialism" in modern management theory?[5] Or, can the distinction between a good manager and a bad one solely be explained in terms of the incentive structure? Such questions do not seem to have definitive answers.

While microeconomic theories of firm could have relevance for management studies, what is the role of macroeconomics? Explicitly, what is the utility of macroeconomics to a business manager? At a mundane level, the study of macroeconomics provides the broad canvas in which business takes place. From this standpoint, knowledge of macroeconomics could be comparable to knowing oceanography to a marine and, thus, provides a rigour and discipline to thinking. This is perhaps reflected in a recent interview of David Moss, author of a book titled, *A Concise Guide to Macroeconomics: What Managers, Executives, and Students Need to Know* (Boston: Harvard Business School Press, 2007), who when asked, "What will executives and other business readers learn from the book?", replied, "One of the most important things is they're going to be able to read the *Financial Times*, the *Wall Street Journal*, and the *Economist* much more effectively than they could before; those publications integrate macroeconomics with what we

[5] I am indebted to Professor K.R.S. Murthy for pointing this out to me.

know about business and markets, often in the very same articles. Without some background in macroeconomics, much of that goes past the reader."[6]

But the usefulness of macroeconomics is beyond understanding popular press articles or op-eds. Knowledge of macroeconomics is vital in "reading the economy" for formulation of long-term strategy of the firm. As the long-run perspective is vital for a firm, they need not have to be follower of the Keynesian dictum that "in the long run we are all dead." Thus, the conditions such as process of competition, presence of wages rigidity and collective bargaining process, regulatory restrictions are important for devising the strategy of a firm.[7]

But, a more interesting question in this context could be as follows: Is a company comparable to a country? It is instructive to turn to Krugman (1996), who said:

> College students who plan to go into business often major in economics, but few believe that they will end up using what they hear in the lecture hall. Those students understand a fundamental truth: *What they learn in economics courses won't help them run a business. The converse is also true: What people learn from running a business won't help them formulate economic policy. A country is not a big corporation.* The habits of mind that make a great business leader are not, in general, those that make a great economic analyst; an executive who has made $1 billion is rarely the right person to turn to for advice about a $6 trillion economy (p. 40; emphasis added).

Krugman (1996) in this context went on to elucidate his point by considering two distinct episodes: (a) exports and jobs; and (b) investment and trade balance. Illustratively, the basic intuition behind "more exports mean more jobs across the globe" tends to neglect the underlying fact that increase in trade may not necessarily make higher global output. Presence of a negative trade-off between inflation and unemployment could make the issue more complex. The other issue is the difference in scale and complexity between study of a country and of a corporate. As far as scale of operations between an economy and a corporation is concerned, writing in 1996, Krugman pointed out that the employment of the U.S. economy at 120

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[6]However, a random survey of a few textbooks on macroeconomics for management/business managers was not helpful in understanding the relationship between the disciplines of macroeconomics and management studies. For example, one of the best-selling textbooks titled, "Macroeconomics for managers" by Michael K. Evans (Oxford: Blackwell; 2004) in discussing the importance of macroeconomics for business managers finally emphasized finance and noted, "Even if the sales of your company are not directly affected by the twists and turns in the economy—and many dot.com companies belatedly realized that they were not isolated from the business cycle—the ability to construct an optimal capital structure is vital for every corporation. Managers must understand how much to borrow, when to borrow, and the appropriate debt/equity mix. A clear understanding of the macroeconomic factors that determine financial market prices is also essential for successful business management" (p. 3).

[7]An illustration of the various forms of wage—rigidity as embodied in the recent models in New Keynesian economics may illustrate this point; see Blinder (1994) for details.

million people was about 200 times of the employment in General Motors, the largest employer at that point of time in the U.S.[8]

The moral of Krugman's analysis is that success of a particular corporation more often than not is non-replicable as, "Because a corporate leader succeeds not by developing a general theory of the corporation but by finding the particular product strategies or organizational innovations that work" (Krugman 1996). To a management pagan, the story of a successful corporation is often post-facto rationalization and, thus, at best, is an illustration of some unique experience and rarely a general principle. Then, one is reminded of Popper's critique of Adler referred to earlier.

Take another illustration of Michael Porter's classic notion of competitive advantage of nations. Porter identified four attributes behind competitive advantage of a nation, viz. factor conditions, demand conditions, related and support industries, and company strategy, structure and rivalry (popularly known as Porter's Diamond). Besides these, government policy and exogenous shocks could also complement national competitiveness (Porter 1990). Was Porter's idea explicitly anti-economics? There are views that Porter's "focus on competition or 'rivalry' is a diversion from traditional economic thinking" (Stone and Ranchhod 2006) and Porter himself commented on the flaws in economics thinking behind comparative advantage. Interestingly, while Porter's (1990) Diamond Framework appears in most International Business textbooks, this is conspicuously absent in most of the textbooks on International Economics. In fact, in the light of recent developments of strategic trade policies and presence of monopolistic competition in international trade, Porter's idea of competitive advantage seems to be out of sync of the modern economic theories of trade. This has invited comments like, "it (Porter's Diamond) does not distinguish between hypotheses, theorems, conjectures and facts and thus cannot proceed to prove causality" (Waverman 1995).

Do these illustrations in any way highlight the basic differences in methods of these two disciplines (in their mainstream version)? Does mainstream economics try to follow the Popperian ideas of falsification while management studies encompass a general body of loose associations that appeal to human intuition? These questions seem to be blowing in the wind.

There is an influential view particularly among economists that deep influence of economic principles (particularly microeconomic principles) on fields like finance, strategic management, operations management and human resource management can hardly be neglected. While the issue of relationship between finance and economics is far more involved and hence a section below is devoted to this issue, the affiliation of other branches of management with economics demands further attention. Even if one adheres to the viewpoint that the starting point for all these

[8]The same may not be true between a giant multinational corporation and a small economy in Asia, Latin America or Africa.

disciplines is basic microeconomics, all these management-related disciplines try to go beyond what they see as the limitations of microeconomic reasoning. But from this standpoint, the relationship between economics and many of these disciplines is quite complex and plural; it often swings between the bipolarities of lineage and hostility. The discipline of "strategic management" is a case in point. While the role of economics in the transition from the disciplines of "business policy" to "strategic management" cannot be undermined, there is no unanimity about the role of economics in this process. It is useful to turn to Rumelt et al. (1991) in this context:

> Although there can be little doubt that economic thinking is reshaping strategic management, opinion is divided as to the usefulness of this trend. Within strategic management, there is a growing group who cross over between the fields, but maintain an understanding of their distinct strengths and weaknesses. However, there are also some who see economics as the 'solution' to the strategy problem … rejecting the field's traditional preoccupation with situational complexity and managerial processes. Finally, there are some who strongly oppose the confluence, seeing economics as 'imperialistic,' as taking undue credit for formalizing that which was already known by others, and as insensitive to aspects of the human situation other than the rational, pursuit of gain. Within economics, the situation is simpler: there are those who follow and appreciate the contributions of strategic management research, but there is a much larger group who are unaware of traditions outside of economics and apprehend business management only through their own constructs (and an occasional reading of the Wall Street Journal) (pp. 5–6).

Another important issue in this context is the role of ideology in a discipline like economics. After all, economics is dominated by a number of schools. This, in particular, is perhaps more visible in macroeconomics. Even if the macroeconomic textbooks are dominated by North American curriculum, these mainstream macroeconomics texts devote quite a bit of attention to the following six to seven schools: Classical, Keynesian, Neo-Classicist, Monetarist, New Classicists or Rational Expectationists, New Keynesian and Real Business Cyclists. These apart there are non-mainstream schools like Marxian, Austrian, Heterodox and structuralist. So, a key question facing a macroeconomics teacher is which school to cover and at what level of depth and sophistication. Should one just cover the basics of standard North American macroeconomics lest one is branded (somewhat derogatively) as a "two-handed economist?" Or, should one attempt to provide the students with a sense of the differing discourse? In fact, exposure to plurality is often avoided with the pretext that aim of the instructors is not to confuse the students. Faced with such a maze, often the choice of schools boils down to confining attention to North American texts, many of which could have questionable relevance for macroeconomic reality of a country like India. A key conundrum in this context is as follows: How does one see the target audience in a management school? Sinha (2016) noted, "Students, who enter business schools the world over, are taught early on in their education that rational thinking inevitably leads to structured and unique solutions to problems and questions." Teaching students (who expect unique solution) the plurality of macroeconomics could be a tall order!

Usage of Case Studies in Teaching Economics

Usage of case studies has been quite popular in teaching in management schools. As is well known, the case method owes its origin as a pedagogical device in Harvard Business School (HBS) with Edwin Gay, first dean of HBS, calling it the "problem method." Perhaps it is appropriate to start with a working definition of a case study. The following description of case studies seems useful:

> Cases are stories about situations in which individuals or groups must make a decision or solve a problem. Cases supply students with information, but not analysis. Although many cases are drawn from real events in which decisions have been made and the outcome is known, most do not describe the decision itself, leaving students with the task of determining what the correct course of action would be. Case method teaching is a form of discussion teaching in which students prepare a case, either individually or in groups, and then seek collectively through in-class discussion to discover a solution to the problem presented by the case.[9]

Interestingly, a discipline like economics is traditionally not taught through case study method but *deductively*, wherein, "the instructor introduces a topic by lecturing on general principles, then uses the principles to derive mathematical models, shows illustrative applications of the models, gives students practice in similar derivations and applications in homework, and finally tests their ability to do the same sorts of things on examinations" (Prince and Felder 2006). From this standpoint, case study is essentially a method of inductive learning and by no means a unique one.[10]

Is this deductive method of teaching in conflict with the case studies method? Should one go "from general to specific" or "from specific to general?" A digression on the empirical strategy of British econometrician David Hendry of "general-to-specific modelling" (popularly called the LSE approach) may not be out of context here. To Hendry and his followers, "the economy is a complicated, dynamic, nonlinear, simultaneous, high-dimensional, and evolving entity; social systems alter over time; laws change; and technological innovations occur" (Campos et al. 2005). Thus, in such a situation, a strategy of general-to-specific modelling (wherein empirical analysis starts with a general statistical model that captures the essential characteristics of the underlying data set) is preferable. Are not the epithets used against economy (e.g. complicated, dynamic, nonlinear, simultaneous or high-dimensional) in the above quote applicable for a company as well? If so, does the case study method lose much of its charm?

But that is more of a form of empirical (or pedagogical in this case) strategy. There could be a far more serious critique against the case study method. In a field like economics, a case could illustrate a particular situation that can be interpreted

[9]The case method, *The Handbook for Economics Lecturers*, http://www.economicsnetwork.ac.uk/handbook/casestudies/11.

[10]Other methods of Inductive learning could include teaching methods such as inquiry learning, problem-based learning or project-based learning.

from a multitude of views/theories. Does it mean that by its existence a case could be *atheoretical*? One is reminded of the Lucas Critique and the practice of imposing "incredible" identifying restrictions whereby depending upon the prior belief (reflected in the restrictions imposed) of the exponent, the same equation can be identified as a demand curve or a supply curve (Sims 1980).

Does it mean the case study method is unsuitable for a discipline like economics? The answer to this question perhaps lie in the prior whether teaching economics in a management school is different from teaching economics in a social science school/conomics department of a university.

Interestingly, a number of studies have revealed the popularity of case study method in economics. Why explains the popularity of the case study method among students? The survey of Carlson and Schodt (1995) among students of economics revealed interesting insights. The following major reasons emerged primarily as the motivation of students favouring case study method:

- "Case studies illustrate the practical application of theories and, most important, the relation between theories and practical results."
- "Made class interesting."
- "Readings and cases taught theory while cases taught how these theories fit into a larger context, and I learned more from the cases. I think the cases can only be helpful, however, if used in conjuncture with readings and lectures."
- "It is very difficult for me to pick up information that I cannot clearly apply to something. Courses like microecon and macroecon are frustrating because they seem to be just a mass of garbled concepts that must be memorized for tests. Cases allow me to see those concepts as tools for problem–solving."

A key question that remains in this context is as follows: Can *economic theories* be taught through the case study method? To answer this, one needs to consider what is meant by "teaching economic theory." Carlson and Schodt (1995) probed into this question and arrived at the following interesting conclusion:

> The theory of economics is embodied in a series of analytical models, all with well-defined structures and rules by which they are to be used to carry out analysis. …..*To expect undergraduates, or graduate students, to derive these models from cases, even with the best of guidance from their instructors, is probably unreasonable and undoubtedly inefficient.* However, cases provide a context in which the theory can be embedded and used by students; and cases promote insights into the intuition that is more formally expressed in the theoretical models. While lectures are important for transmitting information about economic theory to students, cases hold the potential to enhance dramatically students' learning of economic theory (pp. 23–24).

Thus, for motivating the students even in subjects like economics, the usefulness of case study method cannot be negated. Of course, case study method could be superfluous or even redundant to teach formal models of economics—say, general equilibrium analysis or welfare economics or even econometric methods. But for motivating a student who is exposed to economics first time in life, usefulness of case study method cannot be underestimated. Case studies along with other methods of deductive learning go a long way for illustrative and discursive purpose for teaching economics to students in a management school. However, dearth of good cases in economics could pose a constraint in this effort.

Finance and Economics: Siamese Twins or Distant Cousins?

Compared to economics, finance is a younger discipline. In some sense, the birth of finance as an independent academic discipline can be traced in birth of the American Finance Association (AFA). While the AFA was planned at a meeting in December 1939 in Philadelphia, its first journal called *American Finance* was published in 1942.[11] During the war period, the activities of the AFA were suspended and at its annual joint meeting in January 1946, its work was revived and its journal renamed as *The Journal of Finance* that started getting regularly published since August 1946. The very first issue delved the relationship of the AFA with the American Economic Association (AEA) and noted:

> Whether the reader teaches or practices in one of the several fields finance encompassed by this Association, he must at times have felt the difficulty of keeping abreast of major developments in so broad an area served by such diverse publications. Our founders recognize the splendid and indispensable contribution of the American Economic Association for our craft but believed that *a special organization would have two advantages: (1) to insure that at joint annual meetings with that organization, programs of adequate diversity would be assured to include major topics currently engaging the world of finance; and (2) to develop the managerial and business aspects of finance* (AFA 1946; emphasis added).

Nevertheless, till about the 1950s, finance was seen primarily as study of details of financial institutions (Constantinides et al. 2003). This is best illustrated in Markowitz's initial travails of getting his PhD thesis accepted in University of Chicago.[12]

In fact, academically, the birth of finance as a modern academic discipline can perhaps be dated from Markowitz's 1952 classic article on portfolio selection in Journal of Finance. This was followed by the publication of what is now known as Modigliani–Miller theorem in 1958. This field of modern finance came also to be known as financial economics. So far, the Nobel Memorial Prize in economics was

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[11]'About the Association' http://www.afajof.org/details/page/3710241/About-the-Association.html.

[12]In connection with Markowitz's PhD thesis, Keenan (1990) noted, "people were not quite sure what to make of him or his work since it bridged uncrossed disciplines. The mathematics professor said it certainly was not new math (though it was in terms of some quadratic programming algorithms), the economics professor said it was not economics and the sociologist said it certainly was not something that affected people's behaviour. What it turned out to be, of course, was a powerful new view of the world that had significant impact on professional behaviour in all three disciplines."

awarded to six scholars related to finance.[13] All these scholars have contributed to the development and recognition of finance as an academic discipline capable of fruitful application in practice. As far as Nobel Laureates in finance are concerned, two side comments may not be out of context. First, the Long-Term Capital Management (LTCM) crisis in the U.S. during the late 1990s hugely discredited Black-Scholes model; after all, both Myron Scholes and Robert Merton were in the Board of LTCM. Second, as far the 2013 Nobel Prize is concerned, its sharing between Fama and Shiller was somewhat non-conventional; after all, while Fama as the father of capital assets pricing model was a great believer of rationality of the financial markets and Shiller as an exponent of behavioural finance was a believer of "irrational exuberance" of financial markets.

In the world of practice, what is the role of the finance specialist in a corporation? A best-selling textbook on finance enumerates the following functions of an CFO, viz. planning (e.g. pricing policies and sales forecasting); provision of capital; administration of funds; accounting and control; protection of assets; tax administration; investor relations; evaluation and consulting; and management information system (Bodie et al. 2009). Clearly, economics is only related to a subset of these nine functions and hence economics and finance can be seen more as close cousins.

The academic zenith of finance accompanied the peak of finance in economic activities as well. In the United States, at its peak in 2006, the financial services sector contributed 8.3 % to U.S. GDP, compared to 4.9 % in 1980 and 2.8 % in 1950 (Greenwood and Scharfstein 2012). Three factors seemed to have played a great role in peaking of financial services, viz. growth of active asset management, household credit, and shadow banking. Has this expansion of financial activities been socially beneficial? Purely from an empirical viewpoint the answer seems to be beyond a linear "yes" or "no." Looking at detailed data for the U.S., Greenwood and Scharfstein (2012) have arrived at the following major conclusions:

(a) Due to lowered required rates of return on risky securities, young firm were greatly benefitted.
(b) The enormous growth of asset management could have distorted the allocation of talent.
(c) While there may be benefits of expanding access to mortgage credit and lowering its cost, the U.S. tax code already biases households to overinvest in residential real estate.
(d) The shadow banking system made the financial system more fragile.

But the share of financial services in GDP is only a part of the story of finance's influence in the aggregate economy. Robert Shiller, in his 2012 classic *Finance and*

[13]The Nobel Laureates in economics related to finance were as follows: Franco Modigliani (for his "pioneering analyses of … financial markets" in 1985), Harry Markowitz–Merton Miller–William Sharpe (for their "pioneering work in the theory of financial economics" in 1990), Robert Merton–Myron Scholes (for "a new method to determine the value of derivatives" in 1997—Fischer Black would have joined them in the honour, if not for his death in 1995); and Eugene Fama–Lars Hansen and Robert Shiller (for their "empirical analysis of asset prices" in 2013).

the Good Society, has noted how the rich and mighty are connected to finance. He has taken the Forbes 400 list of the richest American and pointed out that even if finance is not listed as specialty for a number of them, finance has played a significant role in their huge earnings.

In the days following global financial crisis, both financial activities and finance professionals earned a bad name. Movements like Occupy Wall Street that aims at "fighting back against the corrosive power of major banks and multinational corporations over the democratic process and the role of Wall Street in creating an economic collapse that has caused the greatest recession in generations"[14] bear testimony to such antipathy of the Main Street against the Wall Street. Does an average citizen conceive finance to be sleazy? Even without any pathological distaste against finance, several explanations behind such a phenomenon have been offered in the literature.

First, psychologist Daniel Kahneman and Amos Tversky put forward the notion of "prospect theory," whereby there is an asymmetry in peoples' behaviour and they exhibit a tendency towards loss aversion (Kahneman and Tversky 1979).[15]

Second, people may suffer from "cognitive dissonance" and hypocrisy (Shiller 2012).[16]

Finally, while the role of finance in American financial capitalism has been special, its evolutions has not been inclusive as has been observed, "For nearly a century from the time of the Civil War through the Great Depression, Wall Street had been the an essential element of the country's cultural iconography, nearly as omnipotent as Uncle Sam or the Western Cowboy; … for the next forty years … it vanished from the front page and lived out its life in the business section of the daily newspaper" (Fraser 2005).

While in some sense, the relationship between economics and finance as a discipline is captured well in the metaphor of the "front page" *versus* the "business page" of a newspaper, at the current juncture when the world is yet to recover fully from the global financial crisis, two comments on the relationship between finance and economics are in order.

First, even the standard economic theory have tended to neglect financial sector issues and cannot claim to have paid much attention to what has happened in the U.S. financial sector since the beginning of the new Millennium and the subsequent development of the subprime crisis culminating into a full-fledged global financial crisis. In fact, the Queen of England in her visit to the London School of economics in November 2008 raised precisely this concern and asked: "Why had nobody noticed that the credit crunch was on its way?" The British Academy convened a forum on

[14]http://occupywallst.org/about/.

[15]Daniel Kahneman received the 2002 Nobel Prize for economics for "having integrated insights from psychological research into economic science, especially concerning human judgment and decision-making under uncertainty."

[16]"Cognitive dissonance" refers to the state of mental tension that occurs whenever a person holds two cognitions that are psychologically inconsistent. Traders in most of the financial asset classes tended to exhibit this behaviour.

June 17, 2009 to debate this question, with contributions from a range of professional from finance and economics. Their reply was indeed humbling when they pointed out:

> So where was the problem? Everyone seemed to be doing their own job properly on its own merit. And according to standard measures of success, they were often doing it well. The failure was to see how collectively this added up to a series of interconnected imbalances over which no single authority had jurisdiction. This, combined with the psychology of herding and the mantra of financial and policy gurus, lead to a dangerous recipe. Individual risks may rightly have been viewed as small, but the risk to the system as a whole was vast. … So in summary, Your Majesty, the failure to foresee the timing, extent and severity of the crisis and to head it off, while it had many causes, was principally a failure of the collective imagination of many bright people, both in this country and internationally, to understand the risks to the system as a whole (British Academy 2009).

Secondly, I have already pointed out that the negligence of welfare implications of management disciplines stand in stark contrast to economics. This is all the more relevant in a discipline like finance. Luigi Zingales in his 2015 Presidential Address to the American Finance Association have brought home this point succinctly and went on say:

> The First Welfare Theorem (of Economics) ….. demonstrates that in a competitive economy individual choices lead to an allocation that is Pareto efficient. The First Welfare Theorem, however, holds only if every relevant good is traded in a market at publicly known prices (i.e., if there is a complete set of markets). When this condition is violated (as it generally is), the Pareto optimality of the equilibrium is not guaranteed. More interestingly for the financial sector, Hart (1975) shows that starting from an incomplete market economy, adding a market can make all agents worse off. Elul (1995) shows that far from being an exception, Hart's result is very robust and pervasive. *Thus, there is no theoretical basis for the presumption that financial innovation, by expanding financial opportunities, increases welfare*" (emphasis added).

Thus, the disconnect between finance and economics have turned out to be costly to both the disciplines and increasingly it is believed that the emergence of what may called as "macrofinancial economics" needs to occupy the attention of both these disciplines in the days to come.

Concluding Observations

It is difficult to draw any sort of broad takeaway from a paper that has presented personal quandaries of an economics teacher in a management school. The essay has looked into three distinct questions, viz. (a) usefulness of learning economics in a management school; (b) usage of case studies in teaching economics; and (c) the relationship between finance and economics as independent disciplines. At the risk of oversimplification, one can venture to suggest some broad inferences. First, while learning economics would be of use to a student of management as a background, its usage and application need not be exaggerated in the sense that knowledge and running of a corporation quite different from knowledge/running of the whole economy. Second, traditionally economics is taught in a deductive manner; nevertheless, usage of case studies to teach economics could be worthwhile in a management school. Third, despite the close links/parentage, finance as discipline has been able to establish its adulthood from economics. Going forward, however, absence of welfare implication of finance could turn out to be costly both to the discipline of finance as well as to the finance professionals.

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Business Cannot Be as Usual: Business Ethics Education in India

Bhaskarjit Neog

Abstract As a discipline of research and teaching, business ethics is fairly new in India. But given the way it is beginning to proliferate in our higher education, especially in business schools and institutes, and thereby grabbing the attention of general public in last few years, it is important that we look back for a moment and assess its *trends and pathways* in the broader platform of the normative study of social realities. The present chapter aims to provide a critical overview of the current status of *doing* business ethics in India while simultaneously undertaking the task of appraising the nuances of comprehending ethics in our larger socio-cultural contexts. Focusing our discussion on the heterogeneous relationship between ethics and business on the one hand, and stressing the necessity of recognizing the latter as an activity of proper moral implications on the other, this chapter attempts to analyse and deconstruct the way ethics of business has been taught and perceived in Indian management education. It highlights some of the most glaring mistakes and misconceptions of this discourse in the Indian academia. The chapter also makes a modest effort of critiquing the much-talked-about relationship between business and spirituality towards the end.

Keywords Business ethics · Morality · Indian management education · Philosophy · Business organizations · Management institutes

Introduction

Despite there being enormous change and progress in the form and contents of doing business, one thing that seems to have remained unchanged throughout the history of business is our concern for its ethical status. Our concerns for deceptive and unfair commercial practices have always been reflected not only in our overall idea of business but also in our ways of judging business people and the community

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at large. But until very recently, no concerted effort was made to articulate these concerns so as to impel the business organizations and people to be watchful about their activities. Thankfully, things are slowly beginning to change, especially over the last few decades, in the wake of a solid academic discipline called business ethics. Business ethics, as a proper discipline of research and teaching, takes a decent shape in the second half of the twentieth century, more precisely in the last quarter, when a handful of intellectuals took special interest in raising ethical questions about commercial activities in the USA. Their interest in ethical questions received an altogether new dimension when the American public life was shaken by the exposes of dozens of corporate scandals and financial irregularities in the 1970s and 1980s. Over the years, these exposures had become the centre of attraction for numerous public debates and discussions, and compelled the average citizen to be reflective about the ethical dimensions of doing business. Later, this had also led many philanthropists to donate generously for the establishment of programmes on business ethics in many places including Harvard Business School, Darden School, and Wharton School.

Today, business ethics is a flourishing discourse. It is no longer restricted to the academic circles of the North American business schools alone. Across the globe, universities and colleges have embraced it as a new normative discourse of our present-day social reality. But what is its impact in the larger Indian educational system? How has it been received by our business school fraternity, both by students and teachers? And most importantly, has this discourse been able to make any mark on the ground realities of doing business in India? Focusing our attention to these questions, this chapter intends to provide a critical overview of the current status of this discourse in the Indian management education. In doing so, first, the chapter deals with certain pressing theoretical concerns which seem to emanate from our apparent difficulty of accommodating ethical issues within the idea of business. Analysing certain ordinary misconceptions about ethics and ethical practices, the chapter then makes a special effort of critically bringing forth some of the most basic challenges of this discourse in India. Along the lines, the chapter also takes up a crucial issue of the alleged intimate relationship between business and spirituality and develops a critique of its legitimacy.

Ethics and Business

The relationship between ethics and business is often described as oxymoronic: ethics and business do not, and cannot, go hand in hand.[1] For, the idea of ethics is intrinsically antithetical to the idea of business; if ethics is about doing things for the betterment of others; business is, in traditional perspective, all about making benefit for the exchange of goods and services. In other words, business is

[1]I shall be using the terms, moral and ethical, interchangeably.

constitutively such that it cannot accommodate the essence of ethics within its operational ambit. So, the expression "business ethics" is paradoxical in that it does not seem to coherently specify anything specific either to business or to ethics. The most obvious instance of denouncing the interconnectedness between ethics and business is found in the writings of Aristotle who considers trade as unnatural. For Aristotle, it is unnecessary to be engaged in commercial activities, beyond the point of the necessity of running one's household affairs. In book I of *Politics*, he strongly criticizes the unnatural use of one's capacity in pursuit of wealth and condemns usury for the instrumental ways of making profits (Lord 2013). In much the same spirit, nearly after two millennia, Marx would also find this relationship somewhat oxymoronic because he thinks the so-called intimate relationship between the owner and worker is essentially a relationship of "naked, shameless, direct and brutal exploitation." Ethics is just another mechanism of coercion and exploitation by the dominant class. For, ethics is just a soft cagy device for the powerful capitalists to protect their long-term interest. And nothing much could be done unless we try to bring down this ugly affair by resorting to some social revolution.

Nevertheless, given the way business has now entered into our daily life and the manner in which it has reshaped our contemporary sociocultural world, the above stance is increasingly becoming obsolete. Most of us are now pretty much convinced that there is nothing intrinsically problematic about business or business activities. People, including those who draw inspiration from leftist ideology, now try to consider business in a much more sanguine manner than ever before. Refusing to throw the baby out with the bathwater, left-liberals would talk about the solution of business problems within the bounds of the broader idea of ethical business. Given this renewed and changing perspective, if the above stance is thought to be of one extreme, there is, however, another which takes a completely difference stance when it comes to the idea of enforcing value-based business activities. The gist of this view is derived from our ordinary understanding of considering business as essentially a profit-making activity. Needless to say, this view draws its enthusiastic support from the works of those who have revolutionized the modern market economy. One of the most prominent names is Milton Friedman—the Nobel Prize winning economist—who vociferously argued that corporate officers do not have any obligation to support social causes or perform any altruistic duties beyond what is mandated by the existing law. For Friedman, the sole motive of corporate officers should be to maximize profit for stockholders. In a free society, he writes,

> There is one, and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud (Friedman 2002: 133).

Maintaining a robust libertarian position, Friedman contends that corporate people do not have the right to invest company funds to absorb the chronically unemployed or to do other charity works on any humanitarian ground. If one does so, she in effect levies some kind of an extra "tax" on the owner of the company, its shareholder and customers. But no one has the right or liberty to enjoy the fruits of this kind of social service at the expense of other's earnings.

It is important to note that ethical dimensions of our business activities cannot be downplayed in any circumstances, even in the presence of a solid legal framework in place. It is true that the business organizations make greatest contributions to the human society by efficiently mobilizing the resources to the benefits of people. They create products and resources in a competitive environment where they aspire to make maximum profit within the constraints of a particular legal framework. But while making profits, whether they have any additional business-related moral responsibility to take into account the genuine concerns of a society is a question that requires further investigation and explanation. Friedman's dismissal of such possibility in categorical terms raises the eyebrows of many as he blatantly narrows down the meaning of business, and deliberately ignores certain important aspects of our human relationships. We can illustrate the flaws of this otherwise fascinating libertarian position by closely looking at the following example. Suppose, in a poverty-stricken region, incessant rains caused artificial flood and severely damaged property, life, and other basic resources.[2] The whole region is now in desperate need of food, cloth, and shelter. Unfortunately there is only one business organization based in that region which could be of some help. Now, if we go by the libertarian argument, dealers of that organization are free to gouge any price they want for the service they provide to the victims of the natural calamity, since there is no legal prohibition on it and the buying is entirely a voluntary matter. But under no circumstances, they have the right to go out and help the victims on humanitarian ground. They cannot do so because whatever extra they would be doing beyond their profit-making agenda, they will ultimately be taxing their owners. Nonetheless, no wrong would be committed, Friedman believes, if the owner of the organization herself directs the agents to be involved in some affirmative action.

The crucial point to be noted here is that Friedman wrongly assumes that business managers do not have any agential power over their moral attitudes towards the stakeholders, since they cannot legitimately acquire ethical responsibility from their owners. They are, Friedman thinks, mere patients and bound by the profit-making agenda of the corporation, even if that agenda is to be exercised at the cost of genuine humanitarian ground. But one must note that business managers, as active stakeholders of the corporation, cannot brush aside their duties and get away from the ethical demands. Their act of charging more money in a given market situation, like the one narrated above, is as much wrong on their part as it is for their proprietor. The managers who act ethically at the company's expense cannot thereby acquire any legitimacy to make a claim over the authority of the company. They will just be performing their professional duty as a part of the business process. And thus, there should be no concern for the proprietors that by allowing

[2]A similar illustration is also echoed in the writings of Hooker (2004).

company managers to function ethically they are giving them an extra-rational authority over the company.

Myths of Business Ethics

Once the relationship between ethics and business is clarified within the framework of liberal economy, the issue of business ethics education becomes a pressing concern: How does ethics education contribute towards the strengthening of this relationship? Does study of ethics help us become moral, or more moral, when it comes to the domain of our professional life in business? It is often argued that people's moral character is formed in their early childhood. Much of what they do and preach in their later life is dependent on what their parents, relatives, friends and kindergarten teachers tell them in their formative years. Ethics education at college or university level makes no difference to one's moral attitudes or behaviours—no matter how seriously it is taught. Second, the opponent of ethics education argues that ethics is essentially a matter of human subjectivity. It is more of an affair of individual choice and taste—much like our choice of music and *masals*. It just talks about how we feel or sense about a matter from our subjective point of view. Depending upon our experience of particular state of affairs, we conduct ourselves in forming attitude what is to be done and what is to be left undone. Since feeling and sensing is a matter of internal affair, there is nothing we can do insofar the moral reasoning of a person is concerned. No external rule or principle is effective enough to change one's moral perception or conscience. Third, most importantly, according to the opponent, every person develops his or her individuality depending upon the kind of value system he or she wants to subscribe to. If we make ethics education mandatory for management students, there is high possibility that, someway or other, we will be undermining their individuality and imposing some foreign value system to them. And this will eventually be turning into another abhorrent indoctrination process.

These are serious concerns, and the ethics education in India has always been fraught with some such concerns from its very inception in management institutes. It is true that our moral attitudes and character traits come to a particular shape at an early stage of our life. But it would be far from correct to say that character of a person gets irreversibly shaped up in her early childhood so much so that there is no chance for reformation or learning anything new about morality thereafter. Many contemporary ethicists and social psychologists are of the view that idea of moral character is a myth. They opine that the so-called character traits of ours are not static and they do not have any consistency. We tend to invoke them only to please our ordinary moral thoughts and to explain the phenomenon why some people are capable of doing certain things which are not possible for others. Philosophers, such as Doris (2002), Harman (1999), and others, claim that many experiments on human behaviour show that most of our behavioural pattern is attributable to apparently trivial aspects of situation in which the concerned person finds in.[3] Besides, theories of development psychology developed by Piaget (1997), Kohlberg (1986), Fowler (1982), and others have poignantly shown how an individual slowly and steadily develops her moral conscience over a period of time.[4] They also persuasively showed how moral and cognitive developments of a person could proceed side by side. Thus, based on these moral psychological explanations one could mount one's argument to claim that there is no strong overriding reason why teaching business ethics at college or university level has to be a fruitless activity. Discussions and analyses of moral situations always bring attitudinal change to one's personality. The disposition towards the refinement of our moral attitudes remains with us throughout our life.

Now, coming back to the issue of ethics being the discourse of relative and subjective thoughts, it is true that ethical issues are highly debatable and people tend to give contrasting views on ethical matters, whether in the domain of business or otherwise. They endorse a particular viewpoint depending upon their orientation towards a value system. But this does not confirm the point that ethical or moral facts are different from different people. We can be completely mistaken about a particular moral fact for centuries. For instance, slavery was something that was acceptable to millions of people centuries ago. But that did not make slavery an ethically correct thing. It was bad during those days as well. The only difference is that people did not realize its moral defectiveness the way they do now. Similar historical references could be drawn with regard to many other social evils such as racism and caste system. Besides, it is wrong to assume that whatever moral beliefs people hold and practice are to be necessarily true. Why cannot people be simply wrong with regard to certain moral practices, however sincerely and honestly they may hold them? Why cannot we claim that some moral beliefs are closer to the truth than others? It may be noted that morality is not the only discourse that entertains difference of opinions. There are whole host of discourses—from arts, social science, environmental sciences, biological sciences to physical sciences—where difference of opinion is accepted with great humility. But, this has not stopped us from maintaining that there is an objective and impartial truth, which these disciplines can aspire to reach, if they are guided in the proper direction.

Lastly, does an invocation of moral truth necessarily lead us to subjugation of individual freedom and liberty? A satisfactory answer to this question would require us to dwell upon a much larger philosophical issue about the reality of morality, i.e. whether or not there are any moral facts that can be verified with utmost certainty. If there is any, how is our moral knowledge possible? And who can be said to have moral knowledge? Without getting into nitty-gritty of the philosophical positions on this issue, for our present purpose, it can be safely

[3]According to Doris (2002: 18), our traditional understanding of character traits as follows, "*robust* traits: if a person has a robust trait, they [sic] can be confidently expected to display trait-relevant behavior across a wide variety of trait-relevant situations, even where some or all of these situations are not optimally conducive to such behavior." But traits are not robust or "global" in the sense we often tend consider them, maintains Doris.

[4]Kohlberg (1986), Fowler (1982), Robert (1981) and Piaget (1997).

maintained that the reality of our moral facts is something that can be compared to the reality of mathematical facts. The way mathematical facts do not have any objective realities such as tables, chairs and mountains, and yet pretty much meaningful to the realization of our human cognitive process, moral facts also have a similar status so far as the reality of our practical life is concerned. They may not have well-defined ontological status, but their presence cannot be doubted in our social space, given the fact that they play a significant role in defining the human conditionality. And to the extent that we are ready to accept their presence, there cannot be any overriding reason, which would deter us from ascertaining their reality. So, if the possibility of there being any moral reality in the world of facts is not denied outright, it may be worthwhile to come down to their truths through an adequate rationalization process. And, if we are committed to upholding such truths with utmost sincerity, there must not be any question of disrespecting anybody's dignity or individuality.

Business Ethics Education in India

It must be clear by now that much of what we ordinarily talk about ethics and ethical behaviours is heavily dependent upon our pretheoretical notions about society and social relationships. Such notions are often drawn from our common-sense understanding of our existing societal norms and values. But ethics as a discourse of human science cannot afford to be driven by such notions. It cannot aspire to erect its edifice with some folk-psychological thoughts and gut feelings. As an informal public institution meant for the service of humanity, it is grounded in some norms of impartiality and reasonableness with inherent universal appeal. Such norms or values would require us not only to see an ethical matter from relevant angles for arriving at a holistic understanding but also (so that none of us are affected by its possible alternatives) would compel us to think how we can prepare ourselves to be disinterestedly influenced in the process of reaching a particular conclusion (Sibley 1953). In other words, ethics or morality understood in this sense necessarily refers to a discourse that trains and nurtures us in being who we ought to be as part of a greater human community.

With this background understanding, we now need to explore the status of business ethics education in the Indian context, more specially the way it has unfolded itself in our management school and institutes. My analysis is mainly dependent on interviews and informal interactions with students and faculty members of some premier India management schools.[5] Much of what has been

[5]I express my deepest gratitude to my friend Dr. Ram Manohar, Vikas of Institute of Rural Management, and Anand, a former teacher at IIM Lucknow, to help me getting in touch with some of energetic management teachers and students of IITs, IIMs and other management institutes. I also benefited from the numerous informal academic sessions with Dr. Vikas and Dr. Manish Thakur of IIM Calcutta on certain issues related to teaching of business ethics.

revealed in these interactions is, however, sporadic, and inconclusive. But based on what I gather from my engagements, I can think of the following few crucial issues, which may roughly be identified as the basic challenges to the business ethics teachings in India. Though some of these issues may well be considered as the representative features of the current status of most of our management programmes, by no means they will give us an exhaustive picture of the whole discourse.

One of the most popular beliefs about business ethics education in India is that ethical analysis of business necessarily brings some unnecessary pressure on the stockholders to do away with the fundamental element of doing business, namely the element of "profit-making motive." It is believed that being ethical in business means doing endless charity work for others. Ethical business requires us to sacrifice all our personal and professional gains. Ethics teaching, in this sense, is a platform which nurtures certain forces for creating obstacles to the growth of business activities. It makes us attribute business people and organization certain responsibilities, which they do not own in any legitimate sense. But, this otherwise widespread belief is not quite correct. It is an old-fashioned thought to consider business as essentially an act of exploiting people. Business ethics has evolved quite substantially from "a wholly critical attack on capitalism and "the profit motive" to a more productive and constructive examination of the underlying rules and practices of business" (Solomon 1993: 356). Today, business ethicists realize that business people and organizations do not just aim to make maximum profits, but they do so by paying attention to many other components that are related to a particular service or goods. In other words, for modern business entities profits are not the only end or goal of their business activities. It is now viewed that "Profits may be means of 'keeping score', but […] it is the status and satisfaction of winning *the hearts* that is the goal, *and* not profits as such" (Solomon 1993: 356).[6] Thus, we must need to change our perception about business. Unless we change our ordinary beliefs and perception in the present context, especially in the post-liberalized India, teaching business ethics in our educational institutes would always remain a barren exercise.

Second, despite there being enormous progress in management education in last two and half decades, it is surprising that business ethics, as a distinct field of research and training, has still not been able to find a respectable place in our educational institutes. A cursory look into the syllabi of several management schools and institutions across the country suggests that in most of the places, there is no course on ethics or ethical studies of business.[7] Barring a few elite institutes such as IIM Calcutta, IIM Ahmadabad, IIM Kozhikode, and IIM Indore, in most of the places, until very recently, there has been no serious attempt of including business ethics in their management programmes. The reason behind this lapse lies

[6]Emphasis mine.

[7]Here I specially thank Dr. Ram Manohar Vikas and Dr. Puneet Rai of Dr. Gaur Hari Singhania Institute of Management and Research for providing me with several syllabi of different management institutes.

in the fact that most of our academic administrators are of the opinion that business ethics is an exotic western discourse, which has no relevance to the sociocultural landscape of Indian business activities. For them, it is a discourse that at best talks about the value systems of Western societies and at worst sets a platform for the imposition of unnecessary obligation to business people and organizations.

Another disheartening part of this story is that the institutes or the schools that have introduced the curriculum of business ethics in last 10 years or so have not been able to make any impact either in the minds of students or teachers, let alone the business communities in general. One of the major flaws behind this failure is the lack of proper preparation in the process of introducing this discourse in the Indian academia. It is startling to know that there was no serious institutional thought process that had gone in at the experts' level before inaugurating this in the Indian management education. The discourse was introduced in management institutes like any other areas of business, without realizing the fact that issues and concerns of a normative science are much different from that of social sciences. And this has caused serious damage to the discourse. Part of this damage has eventually led the students to study ethics like any other subjects by memorizing certain normative claims in a Pavlovian manner.

Third, any discipline with an inherent interdisciplinary character, when introduced in the classroom for the first time, must be equipped with a proper pedagogical method (Bowie 2004). For, without such a method, it is often found to be confusing how a particular subject matter in question is to be efficaciously communicated to the student community. Our analyses of several course curricula of management programmes reveal that in most places, including those that have topped the list of best management institutes in the country, course instructors do not seem to follow any pattern where students could make themselves comfortable with the idea of applying moral principles in concrete business situations. Even though in most courses, there are frequent references to scores of anecdotes about business situations and summaries of various verdicts on judicial proceedings, as such there is no systematic effort of introducing any well-written narrative of practical business cases. Such a narrative may well be defined as *case study method*. A case study method is an ideal platform where the relevant questions are aimed at evoking the learner's analysis of the crucial issues, the key decision-maker, and a defence of the preferred action types (Gragg 1940). It is a platform where the student will get to know the conditions of different ethical situations while at the same time learning to detect whether there is any theoretical lacuna in the theoretical prescriptions. Here, the student will be trained to raise certain set of questions, which are valid and consistent in the given situation. Observing the significance of the questioning process of case study method, Goodpaster (2001: 120) says:

> Typically, questions will have either a diagnostic or a therapeutic backdrop. That is, the class will seek either to understand more fully the nature of the presenting problem or will explore a solution in the form of a sequence of action steps. Sometimes the instructor will want to elicit more detail from students about the circumstances in the case – and this will call for 'When?' 'Where?' 'What?' and 'Who?' questions. At other times, the instructor

> will be looking more for explanations or justifications—escalating the conversation using 'Why?' questions. A thoughtful outline of the various paths of questioning to be explored during the discussion period is important preparation for structured questioning.

This is a method of analysing any state of affairs from a critical perspective. It is a method, which has its roots in the teaching of Socrates and other ancient thinkers both from the east and west. It helps us develop a new ethical standpoint, which is practical, reasonable, and unbiased in its very nature.

Fourth, another most glaring concern for the business ethics education in Indian institutes is the deficiency of theoretical discussions of ethical rules and principles in course contents. Across the globe, ethicists are in agreement that utilitarianism, deontology, virtue ethics, feminist ethics and social contract theory form the basic structure of any theoretical discussion. They have been traditionally considered as the preparatory ground for embarking upon any ethical investigation, whether it is in the areas of biomedical ethics, animal ethics, or corporate ethics. These theories are not merely a fixed set of some utopian principles or ideals; rather time and again they have been proved to be the centre of our basic moral reasoning where our intuitive moral concerns constantly get revised and reformulated. Discussions and debates on these theories invariably help us formulating relevant ethical questions in a given business situation, besides teaching us insightfully how to draw a clear-headed distinction between two or more ethical choices and come to reasonable conclusion about them. Unless students are exposed to the insights of these theories and learn the ways of analysing the conditions of a business activity, we can hardly justify the rationale behind these courses in our institutes. Unfortunately, exercise of this nature has not seemed to take place in our ethics classroom of management institutes. While investigating the nature of an ethics classroom, my study carefully went through the course contents of almost 12 courses, but surprisingly except a handful, most of these courses do not refer to any debates or discussions on any ethical theories.

Lastly, one of the most features of management education in India is that our schools and institutes, where we have management programmes, are exceedingly reluctant in opening up their doors for people with liberal arts background. There has been a conventional presupposition among the academic administrators that people from liberal arts disciplines are not fit for the study of business and management. Many believe that persons trained in liberal arts discipline are mostly polemical in nature. Their thoughts and conducts are driven by some perspectives that are not just gratuitous but also constitutively non-conducive for the growth of any business communities. But, this otherwise widely held belief is not quite justified, and it is especially so in the context of ethics education. It must be noted that ethics is a discourse that crucially depends on the value of critical thinking and philosophizing. Although people from liberal arts background are not equipped with the general technical tool that are used in the study of science and engineering, it would be wrong to presume that they are less analytic in their approach. In fact, philosophers and lawyers are considered to be best so far as analytical skills are concerned. But, it is disappointing that there is hardly any attempt, even by the best-known management schools in the country, to induct academics from such backgrounds. Mostly, this task has been conveniently left to the social scientist who helplessly runs it with some journalistic reading of ethics and ethical theories. And as a result, the whole affair comes down to the level of just another awareness programme like gender sensitization and yoga teaching.

Epilogue: The Cunning of Spiritualism

I want to end by expressing my concerns over another complicated issue—an issue that has not received much attention in the debates of business ethics education and yet something that is deeply rooted in the way we try to nurture business practices in the sociocultural framework of Indian society.[8] The issue in question is the growing attempts of overenthusiastically invoking an uncanny relationship between business and spiritualism.[9] Across the institutions in India, it has now become fashionable to refer to the significance of spirituality in business management. Talks of spirituality are being increasingly projected as the awareness campaign for the development of moral behaviours in business organizations. Though much of this is being done through public lectures, workshops, colloquia and symposia, of late attempts have also been made to silently introduce these in the classroom teachings. The crux of this idea lies in the presupposition that spiritual individuals are bound to be ethical.[10] The defenders of this idea contend that morality comes through a unique spiritual path—a path that unfailingly shows us how to lead a good life (Gotsis and Kortezi 2008). According to them, having a sense of a moral point of view is nothing but a state of correlating oneself with the Supreme Being. It is a feeling of *oneness* with the transcendental power for the acquisition of the qualities required for being moral.[11] The attitude of being moral—whether in business or in other sphere—is thus fundamentally rooted in the way we raise ourselves in the spiritual path. So, if we want to cultivate virtuous dispositions in our personal as well as professional life, we must constantly work for the nourishment of our

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[8]Given the gravity and complexity of this issue, a detailed critical discussion of it would require an altogether different deliberation. Here, I limit myself to a brief comment with a hope to generate further interest on this issue.

[9]Brown (2003) observes several terminologies have been floated for this idea, namely "spirituality in business," "organizational spirituality," "spirituality in workplace" and "workplace spirituality".

[10]Of late there has been a proliferation of literature in support of this proposition. For instance, Biberman and Whitty (1997) argue that spiritual individuals show greater degree of fairness and kindness, Krishna Kumar and Neck (2002) contend that people with spiritual outlook increase honesty and trust within their organizations, following an Aristotelian perspective, and McGhee and Grant (2008) think that spirituality contributes to the flourishing of individuals.

[11]Chakraborty (1997), in this context, invokes the philosophy of Vedanta and claims that "ethical behavior is ultimately rooted in the feeling of Oneness (ekatmanubhuti)" and this "Oneness is real education, true development."

spiritual paths. And this is possible only when we start practicing certain beliefs and practices of our religious traditions.

Interestingly, these explanations steam from some pseudo-scientific and irrational conviction that spirituality is the Holy Grail for achieving everything good about leadership quality, workplace environment, and the overall development of the organization and its workers. In fact in recent times, plenty of researches in the field of organizational behaviour have also claimed that inclinations towards spiritual beliefs and practices not only help us enhance the productive power of an organization but also they keep us away from doing certain morally prohibitory actions. Such analyses view that the human individuals are constitutively such that they will always be concerned about the eternal reward and punishment for what they do or fail to do in their everyday life. The fear of such punitive measures, according to this analysis, inevitably makes them aware of their obligations towards others. It shapes a more disciplined and obedient character in them. The development of a human moral attitude, the defender claims, is thus nothing but the result of our religious outlooks. It is the religion and religious affiliation that makes us essentially moral at heart.

However, even if this explanation goes well with our anthropological understanding of morality, on normative and conceptual ground there is something deeply problematic about it in that it considers morality predominantly a by-product of spirituality. It attempts to justify our moral demands and requirements by setting spirituality as the primary goal of our human life. Morality here becomes a secondary and instrument sphere. It is dependent on the approval or disapproval of an idiosyncratic spiritual authority. But a cursory glance at the history of moral philosophy shows that numerous philosophical deliberations, right from Greeks periods to the enlightenment era, have convincingly proved that morality can never be subordinate to any extra-rational phenomenon. It cannot be dependent on anything that is beyond the grasp of our ordinary human rationality.[12] Morality is an autonomous public sphere, and it needs no extrinsic support for its justification. It is always an end in itself.

Besides, without entering into any deep philosophical explanations of the autonomy of morality, one could simply refer to the empirical fact that there is a huge section of business people who do not have any inclination towards religious beliefs and yet they are no less moral than any average religious person. Many of them may either turn a blind eye to religious beliefs or remain completely silent

[12]An ideal starting point for understanding the difference between religion and morality may be found in Plato's Euthyphro. Plato (427–347 B.C.E.) in his dialogue, *Euthyphro*, talks about an interesting scene where a philosophical debate takes place between Socrates and Euthyphro over the definition of piety. The debate is set against background of Euthyphro's views on the prosecution of his own father over the death of a worker. While being asked about his idea of piety, Euthyphro tried to define it by brining the idea of god. He says piety is something that makes the gods happy. Pious things are those, which are pleasing to the gods, according to him. Socrates finds this answer surprising and counters his position by raising this question: Are the pious things are pious because the gods love them or do the gods love them because they are pious?

about it by taking an agnostic view. Rationalists and atheists, for instance, find it outrageous to accept or talk about the presupposition of God or any supernatural power. But this does not mean that they do not recognize the significance of morality in their business or that they are beyond the boundaries of ethical business. Moral demands would still be applicable to them even if they were completely indifferent to spiritual or religious beliefs. Beliefs in spirituality or religious norms in general are based on our naturalistic temperament—a temperament that some people have and some do not.

But on the contrary, morality is ubiquitous. It is the finest creation of human sociality. It is an informal institution that reminds us of who we are, and what duties and obligations we have towards ourselves as well as others. It operates itself in the fuel of human rationality and reasonableness. Avoiding the act of imposing anything on anybody, i.e. by providing everyone with equal opportunity to put across their viewpoints, one can always argumentatively show how a particular value matters and why it is to be prioritized over others in a given business situation. And for this we do not necessarily need to be spiritual. We just need to rely on our reflective capacity and accordingly develop a sense of justice towards others.

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Keeping Up with the Finishing School Myth: The Role of Communication in Contemporary Indian Management Education

Pragyan Rath

Abstract The attempt here is to earnestly reflect on the fate of the communication discipline in a premier management institute in India. The reflection is more a response to the conflicting voices from the industry, the institutions and the instructors themselves. And hence, the reflection is even more significant because the demands, obligations and the dreams are not on the same page. What worries the instructor of managerial communication? This question seems to lose its way amidst the cantankerous noise. This is an attempt to be heard and understood along with the powerful voices that have had opinions on the subject and the teacher and the institute which provides a sanctuary for all.

Keywords Science · Humanities · Social science · Rhetoric · Placement demands · English grammar · Critical thinking · Turf wars · Post-positivist subject · Management institutes

Resetting the Context

The traditional heavyweights of academia have dominated the educational field for a long time. The sciences and the humanities have wrestled with their institutional ascendancies at various moments in the history of the construction and reconstruction of academia(s). In the course of academic evolutions, the materialization of the social sciences has had an unbelievable impact on research and institutionalization of disciplines, including management studies. In the light of social sciences dominating management academia, it is a wonder that a subject as ancient as geometry and astronomy exists amidst growing demand from both academia and

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industry. After centuries of punching the clock, rhetoric as an academic subject[1] with its massive tweaks and retweaks over time and debate has eventually showed up on the managerial horizon but as an undercover sleuth with red herring nomenclatures like communication skills (more common in technical institutes), business communications (the more generic name worldwide in management institutes) and, in some premier institutes, managerial communications. Whatsoever be the names in the curricula, the *attempt* (to sustain the subject amidst the ever-changing and churning onslaught of academic and vocational battles of legitimacy in the domain of managerial discourse) *bravely rides out*.

The polemical encroachment of the social sciences on the humanities (or as assumed) is not the only point of interface or contention for the existence of managerial communication as a legitimate managerial subject. The evolving debates between (a) the vocational demands of customized training of potential managers by industry and (b) the infernal desires of academic proficiency by instructors of the subject both have been crucial in galvanizing the pedagogical and research agendas engaged by the specialized instructors and researchers for the subject under discussion. The popular notions of communication (entertained by industry and specifically spread through technical institutes) as customized English language skills, basic non-verbal skills, PowerPoint skills and related concerns have dangerously and vociferously cemented themselves on the Indian obsession with technical and managerial prowess, thus creating a burgeoning market for English language teaching aids. Yet, premier management institutes hire Ph.D. scholars in English Studies to *manage* Communication instruction. What is the relevance of English Studies to Managerial Communication *then*?

When I did my Ph.D. in English Studies in one of the premier technical institutes of India, an engineering student (definitely bright, since he got selected into the B. Tech. programme through one of the most trusted competitive joint entrance examinations conducted throughout India) asked me whether I write poems or paint pictures. The problem is not with the kid; the problem is in our hackneyed educational system that breeds warped "general knowledge" about the "non-bandwagoned" subjects. And equipped with such "common sense", if the growing breed decides what such subjects should teach, the setting is indeed dismal. The tragedy does not end here. English studies is also a diverse discipline of concern within the larger academic canopy of the humanities: English literature, theory, culture studies, linguistics, translation studies, English language teaching, to name a few, and all these divergences have had an ontologically differentiating institutional existence from managerial disciplines. English literature, for instance, has always been pitched as a subject of critical inquiry that is studied for itself; the means is the end in itself. And remarkably, the instructors hired for business communication teaching in India (a managerial subject that *has* to be output-oriented), hail from such diverse *means is the end* research backgrounds. Our next obvious question would

[1]I am using "disciplines" and "academic subjects" synonymously here, rather than getting into the philosophical and institutional differentiation between the uses of the terms.

then be: so why hire from English studies and not have proper trainers with full-fledged training in managerial communication?

Communication continues to be, as doctoral research within Indian management academia, a corollary to mainstream organizational, marketing and finance-oriented studies. Nevertheless, the recruitment of business communication instructors is from another galaxy—the English literature. Such scholars are expected to have language skills coupled with interpretive expertise, but are if not a far cry from business training scenarios and managerial discourse. Per contra, if push comes to the stove, these instructors strive hard to adapt to business texts to earn respect in their jobs. On the one hand, they are looked *down* upon by the humanities intelligentsia (critical about the capitalist managerial world as such) as converts; on the other, they are pressurized within managerial intelligentsia to grow to be finishing school trainers (without being trained themselves), since the popular belief on both sides of the conversion (theory and management) is that instructors hired to teach communication are grammarians, or editors of English language[2], a myth that is in circulation *in*, *by* and *for* typical Indian technological institutes.

Amidst these conversions and appropriations, Mary Munter's *Introduction to Managerial Communication* (2012) (10 editions already in the market by 2015) has come forward as a watershed in the study of business communication, where communication is *now* pitched as a study of strategy, theory and framework for persuasion and argumentation, thus creating a space for academic discourse that warrants the application of the variety-full expertise of English studies (read argumentation in rhetoric). Scholars like Jonathan Schroeder (among many others) have devised applications for literary theory in hardcore managerial fields like consumer research. Critical management studies has developed a shelter for self-reflexivity as a necessary tool for business and administrative shrewdness that managers and managerial researchers must enjoy. Yet, the rivers of *yet*s are not over yet! Persuasion is as much a behavioural science pursuit. Literary theory shares a position of respect with social science theories in many mainstream managerial disciplines[3] (organization studies, consumer research, to name a few). Strategic agenda is internal fabric to one of the most integral courses in management: strategy. Where would communication as a *distinct* doctoral programme *still* stand amidst subjects *already* into similar applications in theories and practices; an institutional *distinction* scholars of the subject so yearn for themselves; more so, against the mythical finishing school institutional obligations that managerial placement gossips have substantiated so far with far more social leverage than that of the poor expert in the field of knowledge under discussion.

The internal debates are consumed by larger macro deliberations. At a philosophical level, the social sciences/humanities debate is already fraught with

[2]There have been instances when instructors of communication have been requested to edit and check language in fellow colleagues' research papers. Even as a PhD student, I was requested by technical stream guides to help correct "English" in the thesis written by their students.

[3]But the obvious debate must be kept in mind: for instance, Foucault is a literary theorist, a sociologist? Such interdisciplinary contributions from well-known theorists are plenty.

ideological arguments over the *positivist* and *post-positivist* styles of enquiry. Within a number-crunching fixation, a maniac tendency of production and consumption of resolute problem-solving solutions, a frenzy for practical application of quantifiable resolutions, an obsession for accurate scientific perfections and mathematical precisenesses; also breathes the correspondingly unmistakeable acuteness of human inaccuracies, indecisivenesses, and unpredictabilities. The dilemma has been succinctly worded by E. Jones, "That all knowledge could be transformed into data amenable to scientific method?" (Jones 1984: 242). Today, industry stereotypes management studies as scientific resolutions of the former (managerial researchers) to gather vocational currency. Yet, the irony of disciplines is not unknown. Anna Wierzbicka in "Defining the 'Humanities'" (2011) notes that psychology in the Australian National University is within the domain of science, while somewhere else it is arts, and somewhere else it is a part of social and behavioural sciences (Wierzbicka 2011: 31–32). Thus, if institutionalization of disciplines is not universally standardized, unlike what "general knowledge" propagates, how can the industry, to whom we send trained employers, have standardized and sacrosanct demands from a continuously reformulating academia?

At an industry level, the larger issue that all management institutes worth their salt have to face, looms large. The for- and the anti-finishing school debates evolve into loud debates, more so because we by-pass the loopholes in the standardizations brought about by the industry. The debate is even more serious for communication academicians, in the face of plethora of professional institutes of training like the British Council and the Institutes of English, with professional trainers of articulations available to be hired. Paradoxically, these trainers are never hired by management institutes as full-time faculty. The latter is always a doctoral degree holder, a recruitment rule for big management institutes that retain their social positions precisely because of world-class research output from potentially good researchers. And potential world-class researchers are expected to train and not teach, and train students at postgraduate levels to clear placement interviews, like famous coaching institutes would do to prepare for entrances.

On the other, we cannot forget the ever-plaguing placement blues about faulty and not-up-to-the-mark English and articulation being the bone of contention for recruiters against students from top notch managerial institutes, including the Indian Institutes of Management. The point then is: what is the academic constitution of communication as a legitimate managerial discipline that can encompass (a) vocational demands of industry (and we must not forget that the demands have also been the reason for the inception, respect and sustenance of managerial institutes, unlike any other academic institute; we as researchers and teachers are, even if indirectly, accountable to the market); (b) academic needs for prospects of higher studies and deeper research for growth of researchers and academicians; and (c) the development of academic boundaries that justify communication as a mainstream, distinct, recognizable and sought-after managerial research subject, and not just a placement requirement. In other words, if standardizations is the norm, why not guarantee the instructors of the discipline to standardize the subject (like academia has done so far with so many subjects), where it (the academic institution in particular) *chose* to call psychology an arts subject, or where industry *chose* to demand colonial imitations of English language overlooking good diagnostic skills. All I am trying to highlight is the political act of *choosing*.

The final point of debate then is the pedagogical and evaluation parameters available for a business communication instructor in a premier management institute, the parameters which have to be part of the larger standardizations of pedagogy and evaluations *already* developed for the existing heavyweight subjects. This chapter is thus a philosophical and experiential reflection of an instructor who teaches communication to Indian management students, and researches on the same in an Indian management school, and who like many other business communication instructors, is a convert, and like many of her generation is caught between the (a) tabloid-like demands of training and producing business-savvy and articulate managers for the industry, and the (b) inevitable academic dreams of institutionalising a discipline that though reckoned to be legitimate research material has no doctoral programme of its own in this country, not even when, Indian management institutions, through their various management programmes, are actually scouting for eligible academicians and instructors, holding reputable doctoral degrees in the particular subject. The perennial conflict is between the standardized formats of managerial education (though always being reviewed and reflected upon, but then by *whom*?) and the integral insecurities, visions and pride of the academicians who have been constantly adjusting to the mainstream demands while sheltering and nurturing the ever-evolving bricoleur nature of their subject, their pedagogies and their research interests, all of which are paradoxically also a part and parcel of the very nature of management education as such! In short, the dilemmas of an instructor of communication are the dilemmas of a managerial educationist in the twenty-first-century era of managerial academic and vocational hegemony. Yet, the very management calls into question its greatest comrade in despairs: the legitimacy of communication as a subject of research.

The Clash of the Titans: The Sciences Versus the Humanities

The battle has been an old one, even before the Greek academia. Unlike the layperson notion, "art" originally meant *techne*, in Greek "*τέχνη*" (Grant 1999: 96). Yet, the hierarchy between the arts and the sciences is evident if we take into account the promotion of music from the arts to "something higher—to a science (*GTncrTrjfArj*)" on account of a "historic consequence of the Pythagoreans' linking of number and harmony" (Grant 1999: 96–97). In other words, the sciences were esteemed because of the *method* of introspection involved, the assumption being that there is a basic essence to everything, or at least may be arrived at. Accordingly, music along with mathematical subjects like arithmetic, geometry and astronomy was regarded as the sciences (Grant 1999: 96). But along with the sciences *also* developed the need to learn how to instruct these forms of introspection and hence materialized rhetoric through *logos* and/or language. The currency for oratory was built by the sophists or the peripatetic wise men, who travelled and taught the *art* of speaking. This is how a group of people standardized another study, quoting the need to instruct the medium of instructions, a need declared as a need by the group who defined the need. In an age of arts and sciences, on the pretext of teaching techniques of instruction itself, a new class of educators gave birth to themselves, thus becoming the core to all kinds of instructions. They were the rhetoricians or more nostalgically the sophists. They could talk on any subject, but the way they talked mattered. The universality of rhetoric, even in the fifth-century BC Greek schooling, must be noted. Contrast this with the universality of communication in a contemporary management education. Things have not changed as far as the principle is concerned. We too teach how to talk though the content of conversation is miscellaneous.

With time, arts had further classifications, the famous one being the liberal arts as against the mechanical, by Aristotle. The liberal arts were the leisure arts (Grant 1999). The aristocrats had time on hand and indulged in macro inspections of macro issues of human existence, an inspection that did not require the conversion of knowledge into practical employable feats. You can imagine the harmony in planetary motions if you did not have to fight a war. Mechanical arts, on the other, were service-oriented, which obviously was not meant for the leisure class. So, the social distinction between the intellectual and the manual gradually replicated a pecking order in scholastic pursuits. Ironically, the term “scholastic” was itself henpecked: “[O]ur words ‘school,’ and ‘scholar,’ and ‘scholarship’ are derived from the Greek word ‘*schole*,’ which means leisure—and that ‘schools’ are places where ‘scholars’ learn to make the best use of their ‘*schole*’” (Christopher 1998). Thus, the leisure class alone could have scholastic pursuits. At present, we have schools and disciplines, but the scholastic pecking order has undergone a sea change. Critical humanities (including literature) belongs to the very liberal arts that were held in esteem by the leisure class; today, in the times of massive class neutralization through vocational pursuits, academic preferences have changed.

Post the Greek scholastic persistence, the major European events to turn things around were the practices of the Age of Enlightenment. It is whence humanities inspissated into a major scholastic quest, alongside the sciences, adamantly defining for themselves very fixed boundaries and even hierarchies. Anna Wierzbicka is revelatory in this regard. She states that science is but a “conceptual artefact of modern English” (Wierzbicka 2011: 31). In fact, in German, “the word *Wissenschaft* (from *wissen* ‘to know’) embraces all systematic presentation of knowledge, and its two branches—*Naturwissenschaften* and *Geisteswissenschaften* (from Natur ‘nature’ and *Geist* ‘mind, spirit’)—do not privilege empirical, sense-derived knowledge over any other kind” (Wierzbicka 2011: 33). Even French do not have such a pecking order: “there are *les sciences exactes* (‘exact sciences’) and *les sciences de l’homme* (‘human sciences’), and the French adjective *scientifique* is closer in meaning to the English words *scholarly* and *academic* than to the English word *scientific*” (Wierzbicka 2011: 33–34). It is, however, in English that

> [. . .] knowledge based on 'experience' (derived from the senses) achieved such great prestige and such a privileged status in the edifice of human knowledge that it shaped the modern concept of 'science' itself. Consequently, in the conceptualization of knowledge embedded in modern English, there is no category of 'science' or 'sciences' which would include both 'natural sciences' and 'the humanities' (Wierzbicka 2011: 34).

Thus, the English Renaissance has been responsible for floating the "scientific general knowledge", which we can also call "the myth of science" at a time when it was beginning to sway over a world of trade (mercantilism), voyages (physical maps), politics (colonization) and culture (homo-centrism), all of which had been governed till then by the French and the German.

One of the many reasons for the sciences to attain supremacy for an English Renaissance was the inception of a new cultural capital that could distinguish a new class of people (not existing in the society in the Greek era of the sophists) from the ruling *leisure* class who had been studying the *leisure* subjects. The new class that had no legacy to back them *had to* legitimize empirical existence as primal for social recognition: a merchant walked into a king's court amidst the elite snorts because he had made money by *merit* of enterprise and now could buy the titles of nobility, earlier not allowed to him by decree of heredity. We are talking about the clash of the aristocrats and the pseudo-aristocrats or the bourgeoisie. What began with music became a pattern henceforth: in the Enlightenment, grand painters like Michelangelo also professed the value of geometry in their arts, thus elevating paintings and sculpture to standards of higher intellectual pursuits, but through the legitimacy of *geometry*.

Thus, a new economic class needed a new introspection and objectivity became the trademark for a new academia on the rise: the Renaissance academia. You cannot prove God, but you can prove merit, money, profit. So the method of proof became the ticket *also* for "self-sustaining academic endeavours" (McNeely 2009: 256). Though Renaissance saw the separation of the individual from the patronage, merit from heredity and the academic from aristocracy, it also standardized the individual, the merit and the academic into hierarchical definitions of what each meant to define the new objective academia. What it lost or refrained from utterance is the subjective interest in upholding objectivism. An occultist could no longer be a natural scientist, but natural science paved its way from occultism due to both their "collective investigation of natural phenomena" (McNeely 2009: 228).

Invasion of the Social Sciences

The governmentality of subjects for the sustenance of academic disciplines and disciplinary employments became the prime focus of academia, thanks to the English Renaissance venture. If the sciences and the humanities had trenched their boundaries, the growth of the middle economic class ironically punctuated the sumptuary laws of intransience amidst disciplines. If Foucault talked about the changing nature of punishment with the advent of modernity, we are talking about the changing nature of disciplinary (academic) boundaries with the advent of the same. The birth of economics, psychology and sociology as distinct subjects of introspection is no less commendable in the history of academic subjects. What emerged instead were regulations that defined a discipline. Even today, the difference between anthropology and sociology is a debate, but both the disciplines as distinct and separate are not doubted. When economics arrived on the scene, the basic criticism it had to face was its lack of humanist agenda. It had to establish how it helped human society. In fact, as Lyotard has insightfully remarked in *The Postmodern Condition* (1984), even the sciences had to bank on the humanist tradition to legitimize their existence: scientific discoveries have been for human progress, or so sings the Enlightenment grand narrative. So had all the corollary disciplines to cite their humanitarian purposes to garner social respect and aura. And, compellingly, even today, the capitalist enterprises of education like management institutes have to run courses on ethics. The basic humanist agenda of human concern has lived on.

Yet, the invasion of social sciences instead of changing the pecking order ironically aided and abetted in the reinforcement of historical disciplinary hierarchies. The social sciences genetically took after their parents. If patriarchy has been the traditional norm of the capitalist society, then science and physics has been the father figure in the academic system and philosophy/humanities the mother?[4] Social science used the *method* of science to study the essence of data from the world of humanities: they studied the basic principle but of social, cultural, emotional and humane acts. Biology studies the human brain; psychology studies the human mind. But the systemic *method* of pursuit was that of the father, namely to get to the basic essence or find a DNA of the activity through empirical lens. Once the essence or DNA was established, models could be mass reproduced. Levi-Strauss, the father of structural anthropology, would interpret this empiricism as the finding of the underlying structural grammar of any human endeavour. So, from the world of bacteria, atoms and carbons, systemic study travelled to the fields of culture, myths, suicides, supplies, governance and so on. In due course of time, political science, economics, sociology and psychology encroached into the pristine worlds of English literature resulting in further bifurcations within the English discipline: the birth of culture studies. We have in the Indian Institutes of Technology various departments, including a special department of the social sciences and the humanities. Note: the distinction is in the names—social sciences and humanities are not the same. The onslaught of the social sciences thus coerced literary studies to rethink its traditional role of critical appraisal. The role of theory in culture studies, media studies and literary studies, all within English studies, became all important, and in due course of time, theory emerged as a subject worth reckoning. What rhetoric was in the fifth century BC, theory has come to be in the twenty-first-century academic pursuit: ubiquitously powerful. Both can converse on

[4]We jump the debate about philosophy being the ultimate destination of academics.

any subject, topic and discipline; but both have techniques of introspection that ride roughshod over all disciplinary boundaries.

Now let us look at the academic pecking order so silhouetted until recently—philosophy versus physics/humanities versus science. The legitimate child is the social science. But while it showed concern for data which hitherto were not considered data (courtesy, the atomic supremacy of study), the positivist lens of deriving the basic essence of even an occultic language was its objective onus. Hence, it was social, but also science. But with the World Wars there emerged the emphasis on vocational subjects. How responsible is Hitler for the growth of engineering and mechanical arts? Immediately following the World Wars, the era of consumption or late capitalism also emerged the era of vocational disciplines, the regime of technical training for an industrial and corporate job. It is in this vertigo of market—academics, training and specialization—that the world gained a new vocation meant to safeguard traditional priorities of the industrial owners, namely the managerial vocation,[5] and in the process, social science was co-opted by the industry class which was gradually turning towards more managerial data.

What has academia done throughout, but been very entrepreneurial? With the rise of managerial vocation demanded by the industry, there came to exist an acumen for managerial prowess, and when arises an acumen in the market, there is always an unsaid scope for training, and if there is a scope for training, there is an equally unsaid scope of studying and researching, and if there is a scope of studying, there is bound to be established a theory or a lens of interpretation. For the creation of a managerial class, the enterprising academician came in with a newer by-product, the management studies and, in turn, created new employment force: the management academician.

What followed is the politics of standardizations to sustain a discipline. The subject needed recognizable boundaries. What is management as a discipline like? What should it have? Look at the subjects studied in some of the premier institutes: accounting, finance, law, policy, marketing, operations, behavioural sciences, economics, strategy, leadership, ethics and communications. It is needless to remind the reader that accounting has played an immense role along with the Bible in setting up of the capitalist enterprise, way back in the fourteenth century. It was not born out of management studies, but studying the stock market today is appropriating the age-old accounting to a burgeoning stock market. Economics was born in the Age of Enlightenment. What consumer research owes to anthropology, or policy owes to sociology, or behavioural science to psychology is in the vicinity of the "to be or not to be" stylized debates. In other words, the bricoleur nature of management studies perhaps makes the job of academic standardizing interesting, challenging and compelling. It is one such bricoleur activity that brought in communications as a management area of introspection, thanks to some enterprising academicians who felt the need to "add" a discipline for the management curricula.

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[5]How American steel industry developed the managerial class to protect traditional priorities. See Stone (2015).

When Steve Jobs unveiled *Apple* long back in the 80s, he little imagined that presentation skills would become an important chapter in management academia. The credit does not go to Jobs, though he definitely marketed the product by wonderful presentation. It is some ingenious academician who saw what employment facilities could be created out of what Jobs did, and I am not talking about marketing. A space for presentation as integral to management training became ubiquitous, and so did the scope of presentation trainers and from training to researching. Whether industry asked for it, I am not sure. But academic legitimating has forced the industry to want the training; that I am sure of. And ironically, the industry criticizes the lack of the very skill during recruitment of trainees from the very institutes that have legitimized such trainings as necessary.

The Disciplin[e]ing of Communication

The foremost questions that one can ask regarding communication trainers would be the following:

(a) If grammar and syntax is important, then English proficiency skills are. Why not hire professional trainers in English or English school teachers to improve English speaking skills of postgraduate management professionals?
(b) If behavioural patterns are important in the attitude and body language and voice modulations as in presentations, then theatre-personnel, performance-specialists, phoneticians (stress, diction, tone, modulation) and psychologists should be hired.

Yet, English literature scholars are recruited to teach communication. The reason is simple: institutes of higher learning are looking for future research and academic growth and not a finishing school training hostel. Since India has no doctoral programmes in managerial communications in particular, leave alone communications, the closest is literature. Why do “we” qualify as close cousins? It is an intuitive guess. The analytical and interpretive skills underline the command on language. Let me redefine communication as a managerial discipline again, but from a perspective of a researcher and academician. Managerial communication is about diagnosis, interpretation, analysis and hence strategic presentation, since the output is about profit. Thus, the greatest intellectual input from such a subject is its persuasive and argumentative methods, lenses, frameworks of interpretation and presentation. Hence, it is a discipline about *methods*. For instance, you can learn about history studying Karl Marx, but the *historical material dialectic* way of studying helps know how history is written by those in power. You can study Marx and the same dialectic to understand marriage as a capitalist institute in sociology. You can study Marx again to understand the economic structure of civilizations. But you need to understand *dialectical historical materialism* (from Marx) as a *method* of interpretation, analysis and diagnosis, to understand problems and search for managerial solutions for them. As a technique, it would include a form-content dichotomy, where a scheme would appear "x" but would camouflage its main content (profit agenda) "y", and hence, a dialectical lens would allow the analyst to look for the camouflaged motive. Hence, would not such a technique be invaluable to a potential manager in the real-time world of industry?

The Experience of the Convert

Post the genealogy of management and in particular communication studies, and post the basic problems, prejudices and limitations within which "we" are situated as management communication teachers, it is about time to list (like managers do) the myths that the "general knowledge" obsessed world has conferred upon our breed. These myths are the source of anxiety and insecurity as well as the demand and ubiquitousness that define our existence in the twenty-first-century managerial world of an emerging market like India. The myths are true; the myths are false; and the myths concretely exist within the academic and the vocational operative agendas.

Ph.D. Programme: Too Much to Ask For?

Let us take the example of two of the biggest institutes of management in India—Indian Institute of Management Ahmedabad (IIMA) and Calcutta (IIMC). Both are frantically searching for more teachers, yet the seats are blank. Both have full-fledged communication groups, with doctoral scholars researching on and teaching the concerned subject. Yet, they do not have a doctoral programme, because the management has yet not made provision for it. "How can you have a Ph.D. in communication: is it of higher research standard?" This is one of the most generic questions that arise when such intentions are laid out in the open. But the question itself points to the greatest need of the hour.

Ph.D. is a programme that allows for development and application of theoretical acumen. And communication as a discipline instils the conceptualization, production, application and legitimating of methods of interpretation that supports the strategy, need and development of a particular agenda in a particular scheme of things. Thus, more than the finishing school syndrome of colonized English prowess, the need of the hour is deeper analytical prowess that would empower innovative and effective solution development and hence requires a strategic presentation of recommendations that need to be persuaded and argued for acceptance by teams, companies, industries, administrations and, in short, organizations. If we only address strategic presentation, we fail the subject at its intellectual levels; we fail to produce innovative methods of interpretation, which trainers can then use to train; we fail to produce researchers to help *discipline* the discipline, thus protecting it from the dominance of ignorant parasites who add to the already overgrown "general knowledge" or "common sense".

There are many seats vacant for communication instructors in a growing market of managerial institutes; yet how many English studies doctoral students would go for a conversion. The conversion rate is low or subject to need for job. The primary reason for not a very happy conversion rate is the "general knowledge" about managerial communication: we train students to speak better English! An enterprising English studies scholar will never be enticed to enter the managerial abode, and in turn, we lose out on entrepreneurial and fertile minds, who would have contributed significantly to developing innovative courses, subjects and disciplines for what is an academic bricolage. "Human capital" in the shape of research students and Ph.D. programmes is important to help build disciplinary governmentalities. The deferred capital of a potential doctoral programme is immense: the market for English studies is insatiable and the need for instructors and researchers in communication in most management institutes imminent. What is trending as conversion recruitment can in future result in well-trained and researched candidates customized for the role of a communication instructor and researcher in a management institute.

The Dialectic of Evaluation: The Post-positivist Subject

One of the subsets of English studies has been the coveted English language teaching or the ELT studies. Many researchers in this field have been developing school curricula, evaluation parameters, CBSE syllabi and even aid in training school teachers. Pedagogy and evaluation have become important points of contention. In the management domain, the sway of the quantitative has been well addressed, and evaluative criteria and patterns have been prepared and standardized as per the convenience of the quantitative courses, or the so-called objective subjects. Would the same standards do justice to qualitative and subjective performances, say, in a course like communication? Who is a good communicator? One who speaks good English, or one who writes good English, or one who analyses well, or one who diagnoses well and comes up with terrific managerial and administrative solutions, or one who has a strong intuitive philosophical engagement with texts, or one who assimilates data well, or one who accomplishes all this and more, or one who prepares lucid ppts, or one who explains jargons well, or one who uses disciplinary jargons well, or one who strategically camouflages weaknesses and fallacies in argumentation and saves a bad day and a bad decision, or one who reads cases well, or one who connects different ideas from different subjects to the case or problem at hand, or one who has a striking personality, or one who unassumingly concentrates on the case at hand. There would be so many more facets to what a communicator could and would be. Can evaluations be subjective to needs of subjects/disciplines rather than have disciplines forced to cater to standardized rules of evaluation? Who decides what standard is to be met for what subject? One needs to know the fabric of a subject to understand how to evaluate. So, should "general knowledge" holders decide? When decentralization is already an accepted norm in administrations, why not decentralize evaluation patterns to subjective analysis? I do not mean that any instructor can run the evaluation as per his/her subjective need. I mean let the group/department come up with evaluation patterns for the subject/course taught; let the creators and sustainers of the subject decide what the requirement of evaluation is. Particularly in India, where the language is not the mother tongue, the subtexts involved in evaluation get even deeper, more intricate and exceptionally unfair.

The buck does not stop here. The class pedagogy, the classroom strength and the student-cum-instructor strength play a very complicated yet integral role in teaching basic communication. I teach in an institute where the student batch strength is 450, and three of us divide the strength and are expected to create colonial clones in a matter of over 24 months through few rapid courses on communication, when the main angle of the course taught is strategic argumentation and persuasion, and not colonial imitations of language proficiency. The problem is not in an institute which has created space to include scholars-converts. *The problem is now that the space is created, let the people in the space declare their needs*. If placements drive the communication discipline, it would be a sad demise of a discipline that has as much research value as the mainstream management subjects. If you want to take care of the future of 450 precious students being sent to the market for a grand future, do the same glorious initiators think about the future of young academicians they have hired for a job! Are they not supposed to?

Having said all this, we cannot wish away the placement blues. The dialectic today in an IIM with communication as a subject is between English as a second language and its problems, and managerial communication as a discipline of methods, techniques and strategies of argumentation, persuasion, diagnosis and analysis. Had English not been the global language, what would have been the scenario? Had no *one* language been the global language, would subjective language acumen solve any of these problems? I do not know. Why do we allow for a French or Spanish (European) accent equivalent to good English and not a local Indian accent, say Bengali, Assamese, Gujrati or Malayali! So, teaching pronunciation and basic English at a postgraduate level may take away the prestige and integral value of a postgraduate level course on managerial communication, which has more to do with intellectual processing of interpretations. "If I understand the dialectic within an organization, would I not be able to position myself better in the organization, in terms of what it needs and what I can give". Would this be a better interview answer, or my ability to pronounce English like the English do? Are we to supply what coaching institutions provide? Then what is the difference between us and them? One of my ex-students, Vivek KV (batch 2013–15, IIMC), has intelligently observed that a certain percentage of Indian students have learned their way through peripheral knowledge systems rather than the central: the Agarwal, the Brilliants (engineering coaching institutes), the Times (MBA) and the Raos (Civil Service).

Undying Turf Wars: Conflict of Interests or Conflicts of Interest

Far and between the Ph.D. debate and the evaluation conformities are few questions, few answers, and few limitations that I draw upon, at the end.

(Q. A) When we prepare a course, we have to face a barge of restrictions. We should not use angles of leadership, because that is the domain knowledge of the Behavioural Science. We cannot run advertisement lessons; this is conflict of interest with Marketing. Or we run it along with them to enhance inter-disciplinary culture in the organisation. But, when it comes to a placement interview, and if the student under depression or lack of knowledge stutters through questions with non-answers, the blame game starts, and it is inadvertently a communication problem, not an inter-disciplinary problem at all.
(Ans. A) When a student cannot answer a question in an interview, it amounts to a Communication problem? If the student cannot answer “what kind of revenue model Google uses”, it amounts to a Communication problem? The anxiety, the non-colonial English, the attitudinal problems, and plain lack of knowledge are symptomatic of Communication problems?

Limitation 1: *How long is Communication to be viewed as a filler for placement interviews and CV writing? Are the other subjects taught in view of placements?*
(Q. B) The students’ mentality is no better. They opine that Communication courses are *light*.
(Ans. B) They fear heavy mathematical courses (where they do not score high) and the need to increase the mean (marks) compels them to strategically choose what they think are easy courses. Storytelling stands no chance of an aura in front of a finance exercise. “Storytelling would be light-weight” is a premise even colleagues from other disciplines love to entertain. “We are slogging with heavy numbers; they are *only* story-telling or showing videos”.
(Ans. B) Yet how many can tell a story well?

Limitation 2: *Why is the same standard of judgement applied to all subjects, as if they are all same, when they are not? And why compete?*

Limitation 3: *And when will people learn that not doing well in Maths is not a ticket to good communication?*

(Q. C) Colleagues are not sensitive in remarks when complains come in: “these students do not know how to write a simple mail”; “their assignments do not have the right punctuation marks”; “their English has gone to the dogs”; “heavily accented Bihari (local) language used”.
(Ans. C) One of the primary sociological problems of Indian education is the bandwagoning of engineering as *the* under-graduation subject. There are a plethora of engineering institutes in the country as there are *paan* shops and theatres. Basic English is taught in school. Lack of good development of critical skills, writing

skills, speaking skills in the under-graduation years is compensated by mathematical and technical acumen, along with a focussed entrance-exam-coaching mentality. Those who happen to be good in Communication, are so before they enter the revered management institutes; it is not necessarily that they develop good English in these institutes.

Limitation 4: *How long are we to be blamed for a long standing sociological problem in our education system?*

Limitation 5: *When can the education system help students learn about worlds and careers beyond engineering?*

Limitation 6: *When can management choose students from other disciplines as well? And How?*

(Q. D) Colleagues often support us by empathising: "Students in management schools are here for placements and not studies". So, every instructor from every subject has similar woes: "Teaching Economics or Communication would be same".
(Ans. D) Indian students are growing into the largest labour class inhabiting the world, and they pay enormous amounts, with enormous family and social expectations when they enter such premier institutes or even local management institutes. Management post-graduation is starkly different from any other: there is an assumed guarantee of job at the end of these 2 years. So, job hunting and placements is their natural priority. The academic atmosphere does not necessarily help reduce the placement woes! Moreover, even the most illiterate has a vague understanding of what Economics is as a subject, or prefers not to brainstorm over such definitions. But everyone has an opinion about what Communication is because of the democratisation of the skill-value of the subject. To continue from the poetry writing interpretation of an engineer, let me add that hardly a Humanities student would ever think that a mechanical engineer learns how to change tyres. It goes to show the extent of an informed mind in the mythical notions thinkers and learners alike entertain about subjects that are not their own.

Limitation 7: *When will students learn that learning a subject well gives them a better opportunity to answer more intelligently? That is the best exercise to prepare for an interview: to be well-informed about the organisation, their job-role, and appropriation of the jargons and the processes of the subjects taught into their answers and understanding of their CV propositions and job expectations.*

Limitation 8: *When will management academia give a discipline-value to Communications; a value granted to other subjects in the vicinity? If still stubborn about finishing school mandate, how about teaching other managerial subjects for placement interviews alone?*

(Q. E) You cannot escape the placement demands, when our own students suffer because of lack of articulation. We cannot get away by blaming sociological patterns of the country.

(Ans. E) There has to be an alignment amidst the organisation's agenda for having a Communication group, and the individuals teaching the subject within the organisation. The recruitment has to align with the need. There are trainers; there are teachers; there are researchers. Who are we looking for, or is one to be all? The versatility of this group could be its greatest asset in this regard. Could the recruiters hire different specialists so as to appropriate their knowledge to different managerial roles and needs?

- Literary Theorists: providing foundations for interpretive lenses to diagnose and conceptualise hypothesis.
- Culture Studies Specialists: providing foundations for cultural contexts of business problems and solutions.
- Literature Graduates: providing foundations for sub-textual interpretations (reading between the lines or against-the-grain reading).
- Specialists in Language Studies/Linguistics: contributing to managerial phraseologies.
- Specialists in Media and Film Studies: contributing to use of medium and/as message.
- ELT researchers: contributing to pedagogies, methods of training and teaching English as second language.
- Rhetoricians: contributing to language, argumentation, persuasion: lending agency to the communicator.

Thus, division of labour for fulfilling varied expectations from Communications is a valid requirement. Ironically, the range of appropriations of expertise qualifies for a strong Ph.D. program.

Limitation 9: *How long would management institutes keep recruiting teachers teaching technical communication in technical institutes?*

Yet, I will accept that teaching and researching in Managerial Communication in a premier institute of management is challenging, enterprising, and happening, as is any managerial feat of or off campus, of or off academia, of or off any organisation. The reason is simple: it is *more* than teaching. After all, shaping the future of a course, a subject, a job, a student, an organisation or even the self is no mean feat. This is academic entrepreneurship at its best, an institutional start-up to say the least, an employment option at the worst; whatever it be, it is here to stay.

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Law and Business: Comparative Perspectives

R. Rajesh Babu

Abstract This chapter is an assessment of the place of law in the contemporary business education, specifically from the perspective of Indian institutions. The chapter attempts to capture the debate on the structure and treatment of the business law and the challenges of integrating the same in the broader context of business education. A survey of the literature reveals that despite the importance attached to the study of law in the business education, there has been a literal absence of quality debate and discussion on its content and treatment in the Indian academia. Drawing on and comparing with the decades of debate in the US academia on "place of law in business school curriculum," the paper shall start with an overview of the function and importance of law in the society at large, and specifically to the business. Thereon, the paper looks at the substantive aspects of the course on law in the business school curriculum, with the specific focus on the content and pedagogy suitable for an introductory business law course. The chapter shall also briefly dwell on the question of the appropriateness of teaching ethics through law.

Keywords Law and management · Legal aspects of business · Legal environment · Law and ethics

Function of Law and Legal Education in Society

> When we study law we are not studying a mystery but a well-known profession… The reason why it is a profession, why people will pay lawyers to argue for them or to advise them, is that in societies like ours the command of the public force is entrusted to the judges in certain cases, and the whole power of the state will be put forth, if necessary, to carry out their judgments and decrees. People want to know under what circumstances and how far they will run the risk of coming against what is so much stronger than themselves, and hence it becomes a business to find out when this danger is to be feared… (Holmes 1897)

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The pursuit of law is a well-established profession and a philosophical endeavour (Dagan 2015). The knowledge of law, as Granville Williams in his classic book *Learning the Law*, underlines, “increases one’s understanding of public affairs, and its study promotes accuracy of expression, facility in argument and skill in interpreting the written words, as well as some understanding of the social values” (Williams 1982: 12). Williams’ general statement is equally pertinent to students entering the professional world of business. The legal environment for modern business has become inescapable that it has become vital for every student of business, in her professional and personal capacity, to acquire basic knowledge of the law and the legal system in which they function. Such knowledge of law, apart from encouraging good citizens, allows them to manage and prevent business risks of going against the public force of the “rule of law” established in every civilized society. In the same vein, the study of law allows them to recognize and protect their basic rights and interests and comprehend the remedy for breach. In that sense, the study of law allows one to understand the “rules of the game” for business operating in a society, appreciate the legal risks involved in business decision-making, and lend certainty and predictability to the business environment.

Law is also an instrument by which “man in society consciously tries to change environment …” (ILC 1975: 52). It has been noted that “if development is seen as a self-conscious effort to transform society, law has a multiple relationship to this process.” Emphasizing on the central aspect of law in society, Hobbes note that in the absence of the law or authority, “there was a ‘state of nature,’ in which ‘every man is enemy to every man,’ in which there is no place for Industry … and consequently no Culture of the Earth; no Navigation; … no commodious Building; … no Knowledge of the fact of the Earth; no account of Time; no Arts; no Letters; no Society; and which is worst of all, continuall fear, and danger of violent death; And the life of man, solitary, poore, nasty, brutish and short” (Leviathan in Jennings 1979: 44). The key function of law in society, thus, is to establish justice and order.[1] The rule of law, that is the state of order created by law (Flores and Himma 2013: 1), and “the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence,” is imperative for the development of a country.[2] Establishing rule of law is of

[1]For the UN, the Secretary General defines the rule of law as “a principle of governance in which all persons, institutions and entities, public and private, including the State itself, are accountable to laws that are publicly promulgated, equally enforced and independently adjudicated, and which are consistent with international human rights norms and standards. It requires, as well, measures to ensure adherence to the principles of supremacy of law, equality before the law, accountability to the law, fairness in the application of the law, separation of powers, participation in decision-making, legal certainty, avoidance of arbitrariness and procedural and legal transparency” (UN 2004).

[2]The law and justice is treated as fundamental institutions of the basic structure of society mediating “between political and economic interests, between culture and the normative order of society, establishing and maintaining interdependence, and constituting themselves as sources of consensus, coercion and social control”.

particular importance to doing business in an increasingly complex and globalizing world to establish a framework for the conduct of almost every social, political, and economic activity (Wacks 2008: 1). Most importantly, the rule of law brings with it order and provides security to the society, without which civilization would be unattainable and unsustainable.

A society based on the strong "rule of law" and legal protection or, in the broader sense, a well-established "legal environment" have a direct correlation with a countries' development and the prospects of business. It has been said that the legal system across its dimensions—civil, criminal, and commercial—has direct significance to economic development and in providing a conducive environment for doing business. Porter (2002: 59) in his Global Competitiveness Report (2001–2002) presented at the World Economic Forum found a statistically significant relationship between a county's per capita gross domestic product and each of the following: judicial independence, adequacy of legal recourse, demanding product standards, stringent environmental regulations, intellectual property protection, and effective antitrust laws.[3] De Soto (2000: 156) notes that the "inability of the many poorer non-Western countries to raise investment capital is not attributable to a lack of savings or assets but rather to bad legal and administrative system." Similarly, La Porta et al. (1998: 1116–1117) concludes from his study of legal rules that cover protection of corporate shareholders and creditors, and the quality of their enforcement in 49 countries, that the "legal system matters for corporate governance and that firms have to adapt to the limitations of the legal systems that they operate in." The "rule of law" in this broader sense is inclusive of not just security of property or the integrity of contract, but most importantly brings with it the security of the persons, the agents engaging in the business activities, fairness in treatment, and predictability of outcomes (Belton 2005; Haggard and Tiede 2010: 5).

Consequently, for the business schools world over, the study of the fundamental aspects of the law is invariably seen as a foundation course integral to business education. The legal studies course is expected to provide business students with an understanding of the fundamental tenets of the law and the legal system and its role and influences on business and business decision-making (Monseau 2005). However, the status and treatment of the study of law in business education and its positioning in the management curriculum differ significantly from one institution to the other. This is also true of the Indian business schools, which has traditionally emulated the Western model, specifically the US business school curriculum. The structure and position of the law course in Indian institutions varies in their title and positioning, structure and content, and duration (number of credits) and delivery (pedagogy). Specifically, the treatment of the "legal environment" or "business law" courses, as they are typically titled, in the business school curriculum differs from being a "stand-alone" compulsory subjects taught to all the first-year MBA students, which is the dominant trend, to being part of the optional (elective)

[3] See also Johnson et al. (2000).

subjects offered in the second year of the programme. The area/group/department that the law course is often attached to may also vary from being part of the general management, public policy, or the business policy stream, with implication on the structure of how and what has been taught in the legal environment module. The emerging interdisciplinary approach towards law and other functional disciplines of management (such as finance, marketing, operations, human resources, and strategy) or integration of law with the teaching of other disciplines are found to be largely absent from the institutional practices in India. Legal questions that may arise in the context of other functional disciplines are often avoided or dealt with by the respective faculty on an ad hoc basis. Ad hocism also permeates teaching of the business law courses, where barring few institutions at the top is often taught by a part-time or guest faculty usually a legal practitioner with local practice.

This chapter is an assessment of the place of law in the contemporary business education, specifically from the perspective of Indian business schools. The chapter attempts to capture the debate on the structure and treatment of the business law and the challenges of integrating the same in the broader context of business education. A survey of the literature reveals that despite the importance attached to the study of law in the business education, there has been a literal absence of quality debate and discussion on its content and treatment in the Indian academia. Interestingly, the author was encouraged by the considerable amount of academic deliberations and papers among the US academia on the singular question of the "place of law in business school curriculum" spanning over five decades. The chapter is structured as follows—the chapter shall start with an overview of the function and importance of law in the society at large, and specifically to the business. The paper thereon shall look at the substantive aspects of the law in the business school curriculum, with the specific focus on the content and pedagogy suitable for an introductory business law course. The chapter shall also briefly dwell on the question of the appropriateness of teaching ethics through law.[4]

Law in Management Education

The "rule of law" and the nature of the legal environment influence the business environment and the nature and function of business associations. The legal system establishes the balance on how the business must be run preserving the basic tenets and morals of the society. The "rule of law" guarantees equality and equal opportunity for the people without which "power would probably be in the hands of the few." Bagley et al. (2006: 8) note that the law, therefore, apart from its constraining aspects, draws lines, sets boundaries to business in society, provides a

[4]While the author understands that the "management education" is the set objective of the IIMs in India and has wider bearing than "business education," this paper traces the narrow aspects of business education, which has been the dominant approach across management/business schools across India at the graduate level.

level playing field, gives direction, and acts as a protector and enforcer. In addition, in the recent times, the legal scholars from the United States (US) have started seeing the law, specifically the contract law, as a source of competitive advantage for a firm over its competitor (Bird 2011; Seidel and Haapio 2010: 642; Bagley 2010). According to Bird (2010: 575) "the law remains the last great untapped source of competitive advantage." In recognition of this fact, the editorial board of the *American Business Law Journal* decided to devote an entire issue on the topic of "law as a source of strategic advantage" (Cahoy 2010).

Traditionally, the study of law in India and elsewhere is oriented towards preparing students for the entry into the legal profession and learning to become a lawyer (Advocate). Given the influence of law to shape and reflect societal norms and values, the relevance and importance of the study of law in understanding the society and as an instrument of change has resulted in law playing a larger role in other academic domains. In the last few decades, the study of law has transgressed the confinements of professional studies and has assumed significance in other domains where the awareness of which is considered advantageous. Thus, there has been a steady move towards imparting elementary knowledge of the legal system, rights and duties, and the Constitution as compulsory in various disciplines, including business education.

The business schools across jurisdictions have well recognized the need for a business law or legal environment course in the business curriculum. Business school curriculum has integrated law with business either as a stand-alone subject or through an interdisciplinary approach. The American Association of Collegiate Schools of Business (AACSB), the premier accreditation agency, had recognized business law as part of the business education curriculum way back in 1949 (Carter 1961: 30). AACSB in their accreditation process and guideline treats business law as part of the "traditional business subjects."[5] By 1970s, the AACSB required "legal environment of business enterprises" as part of the common body of knowledge in colleges of business (Miller and Crains 2011: 154). While the 2003 AACSB standard did not specify business law/legal environment course as a discrete business skill for managers, the proposed standard of 2013 sets as a core business degree expectation "economic, political regulatory, legal, technological, and social context of organizations in a global society," underscoring the importance of legal studies to management (Lowenstein 2013: 356, 358).

[5]The accreditation process presumes the inclusion of all degree programmes delivered by the institution that permit 25 % or more of the teaching for undergraduate programmes or 50 % or more of teaching for graduate programmes to be in traditional business subjects. Traditional business subjects include accounting, business law, decision sciences, economics, entrepreneurship, finance, human resources, international business, management, management information systems, management science, marketing, operations management, organizational behavior, organizational development, strategic management, supply chain management (including transportation and logistics), and technology management. See, AACSB Eligibility Procedures and Accreditation Standards for Business Accreditation Adopted: April 8, 2013 Updated: January 31, 2015 at 9 <http://www.aacsb.edu/~/media/AACSB/Docs/Accreditation/Standards/2013-bus-standards-update-jan2015.ashx>.

The importance of law to business was emphasized in the two landmark studies published in 1959 that shaped the business education in the US (and consequently the rest of the world) in the twentieth century—Carnegie Foundation's *The Education of American Businessmen: A Study of University-College Programmes in Business Administration* by Frank Pierson and the Ford Foundation's *Higher Education for Business* by Robert A. Gordon and James E. Howell (the Gordon–Howell Report). The study *Education of American Businessmen* divided business administration courses into "foundation" and "functional" areas and recommended placing "heavy weight on preparation in the four foundation areas—quantitative methods, economics, law and public policy, and psychology–sociology" including two required three-credit courses on law and regulation. The Gordon–Howell Report (1959) considered law as a core field of business education, alongside with economics and accounting, and recommended the requirement of at least one stand-alone course on business law in the business management curriculum.[6]

By contrast, as on 2005, of the top 20 business schools in the US, only three (Wharton, Michigan and the University of Texas at Austin) have a stand-alone business law courses (Bagley et al. 2006: 4). Interesting, however, a 2011 study by Miller and Crains (2011: 157) shows most universities today require one law-based course in business core for most business majors. The US scenario could be explained by their practice of orienting towards emphasizing on a stand-alone course at the undergraduate level or integrating law in an interdisciplinary approach or through joint-degree programmes. Thus, all undergraduate business programmes at most of the American universities and colleges have law as a required course before graduation (Monseau 2005: 531). Besides, several programmes have been designed to integrate law and business, the two complimentary disciplines. For example, the joint JD/MBA programme offered by Harvard Law School (HLS) and Harvard Business School (HBS) integrates the two disciplines structured to be completed in four years that prepare graduates for professional roles requiring "leadership, legal expertise, and a general management perspective in private enterprise, government, and the non-profit sector."[7] From the business manager's perspective, the programme is premised on the understanding that the law enhances business student's ability to evaluate risk, make strategic decisions, and conduct day-to-day operations. In a traditional non-integrated MBA programmes, the attempt is to integrate law and regulatory aspects within the course structure in an interdisciplinary fashion. For example, the "Leadership and Corporate Accountability" course offered at HBS attempts to integrate accounting, law, and ethics as part of the delivery objective.

In India, the business schools are traditionally modelled according to the American counterparts, and the approach towards the design of the business

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[6]Gordon–Howell's conclusions called for more research and less consulting work by faculty, improved regulation, fewer case studies, more theory and analysis, and more teaching of ethics. <http://www.economist.com/node/12762453>.

[7]HBS/HLS JD/MBA programme <http://www.hbs.edu/mba/academic-experience/joint-degree-programs/Pages/harvard-law-school.aspx>.

curricula is no different. The similarly in the structure of the programme, and the delivery has continued to influence the top Indian business schools even today. Many top business schools are also keenly seeking Western accreditations and standardizations that have further streamlined the business school curriculum with their Western counterparts. The model has trickled down to the 3900 plus odd business schools operating across the country. As far as the treatment of the law in the business curriculum is concerned, the Indian business schools has predominantly followed the tradition approach of "stand-alone" compulsory business law course usually in the first year of the programme. The continuation of this approach may owe to the lack of compulsory law course at the undergraduate level, thus needing a foundation course on law at the MBA. For instance, of the top 10 business schools in India, all except one, have business law courses as part of their first-year core curriculum.[8] The only notable exception is the Indian Institute of Management (IIM) Bangalore, which has decided itself to consider law only as an elective.[9] It has been noted that the presence of permanent law faculty results in a significant increase in the number of legal and regulatory environment elective courses offered in business schools. For instance, IIM in Calcutta, Ahmadabad, Bangalore, Lucknow, and other business schools offer many electives on legal aspects of business which attract relatively high student interest.

As regards the structure, content, and pedagogy of the law courses, one finds no evidence of deeper institutional engagement with the subject. The treatment of law in most business schools in India is to have the business law as the permanent feature of the business administration curriculum, without paying due attention to what has been taught, how it has been taught, and how it integrates with other subjects. The lack of focus is also evident from the area/group/department to which the law faculty has been attached to which could range from Public Policy, Business Policy, General Management, Humanities and Liberal Arts in Management, etc. IIM Lucknow is the only management institute to have an exclusive department for law and management, however, management by only one faculty member. Secondly, no attempt has been made to integrate business law with the five functional areas of business education. In other words, there is an absence of interdisciplinary approach towards learning the law with other functional disciplines. They remain in their silos without establishing the close connection that law has with ethics, finance, operations, marketing, and human resource and marketing. Either students are left to make the connection, or the instructor may attempt the same in a piecemeal manner. Thirdly, barring a few institutions at the top, the law course is always taught by a part-time faculty usually practicing lawyer, thereby making the institutional approach towards the subject as ad hoc.

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[8]Indian Legal System (IIMC); Legal Aspects of Business (IIMA); Legal Aspects in Management (IIML); Business Law (IIMK); Legal Environment of Business (FMS); SP JIMR; Business Law (TAPMI—3credits) Business Law (XLRI); Legal Aspects of Business (SOM IITB).

[9]See, IIMB Courses, <http://www.iimb.ernet.in/node/5567>.

Place of Law in Business Curriculum

Having dwelled on the institutional positioning of law in business education, we shall now consider briefly on the importance of a well-structured introductory business law course in the business studies curriculum. Indeed, the law defines the boundaries for business operations, and its understanding is vital for most business decisions. It has been stressed that a business school curriculum "that ignores the role law plays in making markets possibly threatens to undermine the student's appreciation of the manner in which law undergirds the capitalist system" (Bagley et al. 2006: 20). The utility of law to business was evident for a survey conducted by the Michigan Business School among the senior managers of three executive programmes during the period 1994–1998. 1152 participants of the programmes were asked about the importance of "law" in executive programmes, and specifically, two themes were emphasized: the necessity for managers in today's global economy to think globally about the law and the importance of using the law for competitive advantage. The value score (1994–1998) of the 22 topics is covered during the programmes; the law was rated overall at top three—after OB/HRM and Finance (Siedel 2000: 717).

The survey underscored the importance of law in the business education. Specifically, the participants emphasized that when they move up the corporate ladder, the significance of law in business decision-making enhances considerably as "their policy decisions carry important legal implications and they must 'make sense' of the law in communications to the media and to a variety of stakeholders—such as stockholders, the board of directors, employees, regulators, customers, and creditors" (Siedel 2000: 728). Siedel pertinently notes that:

> An understanding of the legal framework within which business operates is especially important to sense-making in business organizations because law, perhaps more than any other function or discipline, touches every aspect of business strategy and operation (Siedel 2000: 728).

The centrality of law to business was further reflected in the *Harvard Business Review* (HBR) survey which concluded that "most CEOs spend between five to 25 % of their time on legal problems" (Allen 1984).

The importance of law to managers has exponentially increased in the recent times because of the increasing complexity of law and number of government regulations that pervade all aspects of business operations, making the law a day-to-day affair for managers. For instance, the compliance requirements under the Indian Companies Act 2013 not only impose liability on the company, but also impose personal responsibility on the key managerial personals. Similarly, the rules of international trade established by the World Trade Organization (WTO) governs the flow of goods and services across national borders, and establishes the minimum standard of protection for the intellectual property rights (IPRs). It also regulates trade distortions such as dumping, subsidy, and safeguard measure, with appropriate remedies. Likewise, change in attitude post-2008 global financial crisis has led states and international organizations to erect a number of key legal interventions moving towards a more regulated, transparent, and accountable financial and capital market regime, moving away from the free market philosophy. An understanding of the law in the globalizing world thus becomes imperative for all business operations, both nationally and internationally.

Siedel (2000: 737) lists six forces that have affected the rise of importance of law in business. This included, in addition to the significant increased (i) litigation and (ii) regulation, the important forces in the modern business world such as (iii) globalization, (iv) technology, (v) compliance, and (vi) entrepreneurship that have increased the importance of law to business decision-making. The "rapid rise in consumer, shareholder, employee, and competitor litigation has forced prudent managers to include legal advice as an essential element of business planning and decision-making" (Chayes et al. 1983: 84). According to a 2008 survey, 36 US companies who participated in the survey spend a total of US$4.1 billion on litigation.[10] Though not as expensive as the US, the Indian legal system is not far behind. As per ET Intelligence Group, more than 1800 listed companies collectively spent about Rs 21,906 crore during the fiscal year 2013–2014 on legal matters, a 17.5 % jump from previous year (Vyas and Kadam 2014). For instance, the top five spender on legal matters where Reliance Industries (Rs. 876 crore), Ranbaxy Lab (Rs 844.54 crore), Tata Consultancy Services (Rs 613 crore), Larsen & Toubro (Rs. 526 crore), and Infosys (Rs. 504 crore).[11] Amazon India's litigation expense for the year 2015 was about Rs. 221 crore, which was the third major head of their expenditure (Malviya 2016). Thus, the understanding of law has become a must "for every future manager because it pervades business decision-making and operations" (Siedel 2000: 741).

Besides setting boundaries and its constraining aspect, the study of law enables managers to promote business interests and help strategize (Bagley 2010). Failure to comply with law can result in loss of resources, and an effective use of the law can help firm protect (Baucus and Baucus 1997) and leverage the firm's valuable resources (Bagley et al. 2006; Tran 2015: 137). Bagley et al. (2006: 6) advocates for a "systems approach" to law and management which presents "the role of law and business … within the broader context of societal needs and norms and highlights both the enabling and constraining aspects of law…" The "system" approach views the law as one of the lubricants that keep the system (businesses) go smoothly. It promotes entrepreneurship and creates a fair playing field that is integral to the systems of business and society (Bagley et al. 2006: 8). Similarly, Tran (2015) views that law affects each of the five forces Porter (1996) identified as determined the attractiveness of an industry: buyer power, supplier power, the competitive threat posed by current rivals, the availability of substitutes, and the threat of new

[10]'Litigation Cost Survey of Major Companies,' Statement Submitted by Lawyers for Civil Justice Civil Justice Reform Group US Chamber Institute for Legal Reform For Presentation to Committee on Rules of Practice and Procedure Judicial Conference of the United States 2010 Conference on Civil Litigation, Duke Law School, May 10–11, 2010, at p. 4.

[11]Ibid.

entrants. Law also affects the internal context of the firm, that is it resources and capabilities including the way the firm is organized.

In short, law affects both the external environment and internal environment of business, the understanding of which enhances the managers' ability to protect the business from legal cost of non-compliance and litigation and, at the same time, protect its interest from competitors. Consequently, "anticipating, understanding, evaluating, and responding to public policy development within the host environment" is a critical managerial task (Preston and Post 1975: 4). Thus, that business decision-makers need law courses to avoid these threats, and the study of business law thus helps students to visualize "the structure of modern society" and provides an understanding of the legal concepts that are critical to the formulation of policy and the administration of business (Matteo 1995).

Law in Business Curriculum: Content and Pedagogy

> There is, for example, an almost universal agreement that our primary objective is not to impart information. Whatever it is we want the student to get it is something more durable, more versatile and muscular, than a mere knowledge of rules of law.
>
> Fuller (1950: 36)

In India, the introductory course on business law could perhaps be the first formal course on law that most business students may come across. For most students, this could also be the only formal business law course that they may undergo during their professional career (Nation and Melone 1999: 292). As mentioned earlier, the course on business law or legal environment is structured as part of the compulsory curriculum of the PGDM/MBA programmes in India. The course's basic intent is essentially to provide a foundation on the law and legal system in which the business operates. This course is supplemented in many schools with advanced and in-depth elective courses either as a stand-alone elective or in an interdisciplinary way. While there is a trend towards an interdisciplinary approach to integrating law course with other functional disciplines, the dominant trend among the business schools in India is towards a stand-alone version over an interdisciplinary-integrated approach. The number of contact hours for the foundation course may vary between institutions, and the duration of the module may differ from 15 to 30 contact hours (half and full credit, respectively). For instance, in IIM Calcutta, the Indian legal system course, though traditionally enjoyed a three credits, like many other foundation courses, the curriculum rearrangement in the recent past has reduced the contact hours to 15. This seems to be the case with many other institutions as well, including IIM Ahmadabad. Interestingly, few new institutions in India have shown a preference for a full-credit course (30 h), often at the cost of other foundation courses such as economic and political history and sociology.

While the appropriateness of the duration of the introductory business law course is debatable, the place and importance of such a course in the business curriculum has been well accepted. However, the treatment of the business law in the business curriculum has been far from being satisfactory. Most institutions follow the lead set by their higher-ranking counterparts or the Western business schools and provide lip service by including the business law course in the curriculum, without putting any serious thought into the content and delivery of the subject. This has led to the stereotyping of business law as a subject where some contract law, special contracts, company law, etc., are taught from a legal perspective, a requirement generally met by a part-time faculty without any application of mind towards integrating the course with the functional areas of business. Often, the scope and content of an introductory law course are contextualized based on individual professor's experience and the demands of the business school. Despite the influence of the instructor in setting the business law curriculum, there has been an intense debate on what should be the appropriate structure and content of the introductory law course in a business school. However, the debate has been largely US centric, with no contribution from the Indian academia.

We shall thus attempt a brief look at the different approaches in dealing with introductory business law course in the business education curriculum. In this part, we shall firstly consider the structure and content of an "ideal" introductory business law course and problems relating to the private law–public law divide. Secondly, we shall address the question of pedagogy—what teaching methodology one must adapt to best suit a business student. In the next part, we shall continue the discussion on integrating business law teaching with ethics. Obviously, there is no one right formula or approach as is evident from the enormous literature that directly considered each of these questions in the Western context. The Indian business schools must, therefore, streamline their business law course according to the demands of the Indian conditions.

Challenges of Structuring the Introductory Business Law Course: The Business Law v. Legal Environment Approach

While the choice of the course name for the law module in a business schools varies considerably, the most often used titles are "business law" or "legal environment of business" or "legal aspects of business," at times with appropriate suffix or prefix.[12] The course title broadly reveals the scope of what must be the emphasis of an introductory course on law—the private law or public law emphasis of the course. The question has been whether the business schools must take a more "business law" approach or the "legal environment" approach while structuring and instructing the introductory business law course (Nation and Melone 1999: 284;

[12]Introduction to business law, business law, legal aspects of business, legal environments, legal environments of business, legal and regulatory aspects of business, Indian legal system, etc.

Mayman and Newer 1984). The difference lies in the fact that business law course implies a more emphasis on private law in course content (contract, tort, agency, business associations), whereas the legal environment course shall imply a predominance of public law (government regulations and business being part of the legal system) (Brack 1997: 237). Given the limited time allocated for the law module in the business curriculum, this debate centres on whether to teach only commercial aspects of law such as contracts, in-depth, or to attempt to survey the many legal areas that are important to business (Reed et al. 2002: 3).

In India, the approach of business schools traditionally had been towards a "business law" approach, irrespective of what the course title may suggest. The content, pedagogy, and the textbooks on business law reflect the predominance of the private law approach to teaching law. The stress has been towards teaching general principles of contract law, special contracts such as agency, sale of goods, negotiable instruments, and basic aspects of company law and intellectual property rights within the limited allocated time. The Gordon–Howell Report (1959) was critical of this traditional emphasis on contract law describing it as too narrow and emphasized on replacing business law classes with a "legal environment" approach (Lampe 2006). According to Gordan–Howell, such a course must include topics such as the following:

> the background importance, and the role of law in our society to students who do not have the faintest conception of what law is – who do not know the difference between a criminal and a civil action, to whom the adversary system is an irrational game, who think that no contract is enforceable unless it is in writing, who believes that liability for personal injury is based simply on causation, … who, above all, believes that law is simply a system of rules which are more or less self−executing… (in Berman 1961: 6).

On the other hand, it has pointed out that if the introductory business course is designed more as a survey course, it may become ineffective in an effort to "cover" materials. For example, Nation and Melone (1999) notes that a course structure "sets out to examine legal principles that affect relationships of business with governments, investors, employees, customers, creditors, suppliers, and competitors and offers a review the legal system, international legal environment, administrative law, torts, crimes, contracts, property, agency, business association, product liability, consumer law, labour law, environmental law, discrimination law, and securities law"—the course may have the least impact. The list of topics to be covered in this course is so long that "very little time can be devoted to any particular topic." Thus, in a survey course, very little class time can be devoted to any one topic, even for topics as vast as contract and torts. The result would be a presentation "too superficial in nature to allow students to develop an understanding of fundamental business law principles and legal reasoning" (Nation and Melone 1999: 296–297). Similarly, Reitzel notes thus:

> But, in responding to the critics, many instructors who had not already done so broadened their private-law courses by adding public-law topic, presenting law as a part of the fabric of society, and emphasizing the development of higher intellectual abilities. Others took the more radical approach of rejecting 'traditional' private-law content formulae and developed

> courses (which they labeled 'legal environment') that emphasized public law and government regulation of business.
>
> As 'legal environment' courses became common, problems with them were alleged: They are so broad in coverage as to be superficial, and thus ineffective in communicating to students the nature of law and legal processes. Often slighting fundamental law topic, they do not serve properly as a basis for advanced courses in law. Their breadth and shallowness tend to perpetuate the long discredited 'rules' approach (in Reed et al., 2002: 3).

Nation and Melone (1999: 285) further notes that the business law course should be designed to develop in students an understanding of the general principles of business law that are reflected in legal analysis, reasoning, and process in an integrated business context. "This type of experience will provide students with an excellent start in developing the skills necessary to identify legal problems or opportunities in a business context and *to* work effectively with counsel." They believe that the focus of the introductory business law course should be an in-depth study of contract law, because contract is the basis of virtually all other business law Nation and Melone (1999: 298–301). Other stress areas include the sale of goods, tort law (negligence and product liability), property law, and agency law along with an introduction to corporation.

Thus, the question that a law instructor in a business school must ponder is on the approach one must take to best suit the interest of the business students. Indeed, both public and private law are of equal importance in a legal studies business curriculum (Brack 1997: 240), and at the same time, both approaches have its pitfalls. As has been noted earlier, the attempt of the introductory law courses is to help business students' understanding in recognizing and managing legal problem (Allison 1991: 39; Little and Daugherty 1995: 160). The courses should show students how "various legal concepts are needed for furthering of various business strategies, the resolution of business problems, and the making of business decisions in ways calculated to minimize legal and regulatory exposure" (Petty and Mandel 1992: 206). Since, the introductory business law courses may be the only course for many students, legal topics covered in-depth in the course should be among those that are fundamental to and form the basis of all business law. Such an understanding would require the appreciation and emphasize on both public and private law, with adequate attention to the basic concepts of contracts and business organizations (Carter 1961: 30).

To illustrate, if one takes the example of how best to protect confidential business information, the private law explanation would be a non-complete clause or confidentiality clause in the employment contract and make the employees aware of such proprietary information. This would be an effective legal strategy. However, there are other public law rules that have direct implication of such a contract, such as unreasonable restraint of trade, good faith, and unequal bargaining power. A mere confidential clause would be infructuous say against an entry-level employee with an unequal bargaining power and a fundamental right to profession. In other words, the court may not grant any injunction or damages to the company. An understanding of the basic principles of public and private law would enable the student to realize that a contract clause may offer some protection but is not an ideal solution. Rather, the strategy must address the public law concerns such as unreasonable restraint of trade and unequal bargaining power by developing additional incentives for signing the clause and developing records to demonstrate the value of proprietary information (Nation and Melone 1999: 294).

However, most business schools in India thrust primarily on the private law aspects, ignoring the larger legal consequences. It is imperative that the students have basic understanding of the Constitution of India, specially the definition of state, fundamental freedom to profession, or to carry on any occupation, trade, or business (Art 19); right to equal opportunity (Art 14); and the writ jurisdiction (Art 32; Art 226). These provisions are core to the understanding of the Indian legal environment for business, given the fact that the state is a direct party to most business activities, in terms of law and policy making, licensing, government contracts and procurement, state's own commercial activities, etc. Indeed, the student of the introductory business law would enrich with the broad discussion on the nature and purpose of law, legal and judicial structure, classification of law (civil/criminal/tort), and the law and morality debate. This could follow a deeper consideration of private law aspects of business transactions such as the basic principles of contract law and special contracts; formation of various business associations, with stress on the company law and IPRs. This could be complimented by the public law aspects around the business functions, such as consumer protection and product liability (tort), competition, and dispute resolution mechanisms. A foundation on the public law aspect in the introductory course could be supplemented in the more advanced elective courses offered in the second year.

The Pedagogy

Law for laymen is a complex set of technical rules with its antiquated jargons and maxims, legislations, and judgments (Wacks 2008: 1). While the law professors may view the intricacies of law and legal process as interesting and challenging, the laymen see law as an unavoidable nuisance for the smooth conduct of business activities. Thus, a major challenge before the law faculty in business school is to facilitate the students to master an unfamiliar subject without dilution and equip them with legal problem-solving skills while dealing with business decisions. The law instructor has the additional task of impressing them on the importance of law to business, generating interest in the subject, and also taking them through the most basic aspect of law and legal principles in a less legalistic fashion for them to grasp and apply. Consequently, instructors of business law frequent the questions of appropriate pedagogy suitable for business law in business schools. As mentioned earlier, students with the law degree are rarely seen in business schools and a vast majority of the business students have no formal background in the basics of law. For instance, in the case of IIMs, on an average more than 90 % of the class compositions are engineers, encountering formally with law as an academic subject for the first time.

Traditionally, business law courses in India and elsewhere are structured and taught from the perspective of a lawyer, similar to any law school courses which are too legalistic in approach (Ireland 2012: 2). This approach is entrenched in the business law course content, the pedagogy, and structure and content of most textbooks on legal aspects of business. Lampe (2006) notes that the textbooks and the approach of the business school law faculty might, at best, be dubbed "law school lite." The scenario is amplified by the fact the law instructors are often part-time lawyers. The result is that the business law classes resemble "mini" or "modified" law school courses. The most common approach is to teach the "black letter law," reciting and memorizing legal rules and principles, rather than orienting legal topics to business problems. Over emphasis on the "black letter law" may not work *inter alia* because the rules vary from one jurisdiction to another; the law changes rapidly; law being complex, even the most ambitious instructor cannot go too deep in any given topic; and the difficulties relating to teaching multi-jurisdiction and international law in a short span of time (Lampe 2006: 4). The predicament is reflected in the statement of Morgan:

> Our calling is not now nor has it ever been to train our students to become lawyers… our professional obligation… to serve undergraduate and graduate business students calls for something not provided by our professional training (2000: 186).

Allison suggests an alternative starting point for teaching law in business schools. He notes:

> They are, and should be, quite different than courses taught in law schools. They are 'business school courses about law.' Their goal is to give students a working knowledge of the structure of both the law generally and the particular legal area under consideration. They are and should be taught from the perspective of planning, prevention and managerial participation in the resolution of legal problems (1991: 239).

Thus, business students are best served if the introductory course in law is offered with a more practical, business practitioner-oriented approach with appropriate cases and examples (Petty and Mandel 1992). Collins points out that since business students are expected to make business decisions, they must learn about law in a way that better enhances their abilities as business decision-makers (1999: 118). The pedagogy must orient the business law topics more to the needs and realities of future business practitioners and condense these materials to cover the new and expanded topics (Lampe: 12). Moreover, since there is a less likelihood of students retaining much of the "black letter law," the instructor must ensure that they retain enough "in the way of legal principles to provide a basis for intuitive recognition of a related legal problem at a later time" (Donnell 1984: 13).

Brack (1997: 237–238) proposes a "managerial law" approach towards teaching law to business students and calls for associating legal topics with business functions, emphasizing that "business professionals face legal risks and the mission of the a law professors in business schools is to develop and teaching courses that provide future decision-makers with the ability to recognize legal problems and use legal expertise to prevent or cope with the consequences." He proposes integrating law with the interdisciplinary fields of management by using interdisciplinary structures while teaching and discussing legal topics (Brack 1997: 239).

> The *paradigm of managerial law* recognizes that a specific management function is performed within its own managerial structure and that legal topics have to fit within that structure to provide optimal operational and strategic use (Brack 1997: 240).

This approach would require (i) determination of the characteristic features and substructure of the five commonly acknowledged managerial functions (Human resource; Production and operation; Marketing; Finance; and Strategic Management); (ii) allocation of legal topics to the managerial components of that specific function; and (iii) selected legal topics are explained in conjunction with the role that play in the performance of the management functions under consideration (Brack 1997: 241). Thus, in the managerial law course, the first meeting is used to position legal business studies in the curriculum as a whole and other elective courses; second meeting is for the introduction of the structure of law, core legal concepts, and relevant legal subdisciplines, and there on concentrating on the functional areas of management (Brack 1997: 242).

Mangerial law

Functional topics, description, and legal topics		
Managerial function	Description	Associated legal topics
Human resource management	Human resource flow, reward systems, work systems, employee influence	*All aspects of employment law*: the underlying relationship, employment status, discrimination working conditions, and labour relations
Production and operations management	The flow of materials approach: the transformation of input into output. Preproduction production process and after sales	Regulation of product quality and safety (including packing and labelling); licensing; private duties of care; patents; trademarks and other intangible product protection; worker safety; sales contracts; consumer protection; product liability
Managerial marketing	The four P s: Products, place, promotion, and price	*Product*: trademarks; packaging and labelling (overlap with production) *Place*: transportation contracts; franchising; trade practices *Promotion*: firm image; advertising and regulation of speech *Price*: pricing regulation/antitrust

(continued)

(continued)

Mangerial law		
Finance management	Treasury (obtaining capital and managing cash) and control (financial and managerial accounting	*Financing business operations*: (securities law); commercial law; creditors' rights and bankruptcy; insurance law; law of banking. *Control*: public disclosure; accounting standards; accountant's liability
Strategic management	Essentials: long-range orientations; scope of business activities; company in relation to competitive environment and to stakeholders	*Business organization law*: firm legal identity; corporate governance; merger and acquisition; antitrust; macro-ethics

Source Brack (1997: 243)

In short, the basic approach towards the legal aspect of business course is to keep the pedagogy "intelligently simple" so that a business school student with no background in law could easily adapt. In an ideal course on business law, a complex treatment of law or a detailed and in-depth consideration of the topics could be avoided as this would have the tendency to unnecessarily distract or confuse the students. Given the short period allocated for the study of law, this would be the right approach. However, the law instructor must be cautious about too much restructuring, which may have the potential of diluting the subject taking away the essential character of learning the law. Over simplification may also have an adverse consequence on the law faculty of getting reoriented from one's own discipline, that is the basic training as a lawyer and the critical legal thinking that is integral to the disciple.

Finally, the approaches towards teaching law to management students vary from "case method" and problem-based learning (PBL)[13] to purely "lecture method." Given the introductory nature of the business law course, it would be appropriate to have a combination of methods, with stress on analysis of short cases to understand and solve problems. Law, specifically common-law countries of which India is one, allows considerable leeway in the interpretation of legal rules, depending on the "object and propose" of the law, and the unique factual circumstances. To understand the different facets of legal interpretation and predict how the judges decide cases, it would be appropriate to use cases, problem, and illustrations. Case studies or problem methods with open-ended solutions would expose students to the contradiction of legal interpretations. Thus, understanding the "black letter law" alone does not offer the complete picture. However, a total dependence on case method may not gel well with the introductory course. Therefore, case studies are

[13]Law schools have generally moved away from case-based method to problem-based learning, which requires students to solve problems of the kind they will encounter in the real world (Marsnik and Thompson 2013: 201).

more appropriate at the advanced level law courses and for interdisciplinary courses. As Berman notes, "therefore cases - but not any cases, and not only cases" (Berman 1961: 6).

Teaching Ethics Through Law

Oliver Wendell Holmes Jr, in his most celebrated and "the single most important essay ever written by an American on the law" *The Path of the Law,* declares that

> If you want to know the law and nothing else, you must look at it as a bad man, who cares only for the material consequences which such knowledge enables him to predict, not as a good one, who finds his reasons for conduct, whether inside the law or outside of it, in the vaguer sanctions of conscience (1897: 478).

For Holmes, the "good man" finds his reasons for conduct, whether inside the law or outside of it, in the "vaguer sanctions of conscience," but for a "bad man" who "cares only for the material consequences," such knowledge would enables him to predict when non-compliance with law would result in material consequence (Jimenez 2011: 2071). This approach towards law, specifically for the business, undermines one of the key aspects of law—the moral and ethical side—what some may even call the "inner morality of law." Consequently, if a bad person or bad corporate is tough enough to pay the price that the law may impose (damages, an injunction, a fine, a prison term, or even death), they have the option of non-compliance with the law's directives (Alschuler 1997: 412). Holmes' bad man is thus indifferent to matters of justice and opposed to the establishment of any connection between law and morality (Hart 1951: 932 in Jimenez 2011: 2077).

Indeed, Holmes has been criticized by many for his "consequentialist approach" to the law and his implication that legal rules impart no normative content to conduct apart from the costs that they impose (Seipp 1997: 555–557). Holmes' "bad man" approach is accused of advocating a legal system that promotes immoral behaviour by encouraging the bad man (or his lawyer) to choose a course of conduct not according to generally accepted standards of community behaviour, but according to a cost-benefit analysis, in which the bad man chooses to engage in a given activity whenever the benefit of doing so exceeds the activity's legal cost (Jimenez 2011). Consequently, some scholars have therefore portrayed the amoral "corporation" as the quintessential bad man, whose decision lacks the "vague sanction of conscience," and are only concerned with the material consequence that the law may impose. It has been argued that in the absence of "sanctions of conscience" or the absence of moral reasoning or ethical conduct, legal rules present the best alternative that imposes a limit on its actions (Fisch 2006: 1594). Accordingly, it has been justified that the best way to make the immoral corporation act morally and socially responsible is to impose greater corporate social responsibility (CSR) through law. An illustration in context would be the 2013 amendment made to the Indian Company Act to impose a mandatory CSR tax, which was considered by the government as a more effective way to inculcate "morality" in an otherwise immoral corporation.

Thus, law has been considered as the external deposit of morality, and the practice of rule of law tends to make good citizens and corporations. The path of law and morality are so inextricably intertwined with law representing the formal and "complex" versions of ethical principles. As Allison (1991) notes, many legal problems begin as ethical problems. For example, the rules on "fraud" and "misrepresentation" reflect the ethical values of "honesty" and "fairness." For Dworkin (1986), law includes the moral principles and that the judges typically decide cases by attempting to find moral principles on which the relevant rules are based and decide the case based on the most important values. Further, no court shall enforce a contract that is against public moral.

Given the moral basis of law and their proximity, scholars have argued for integrating ethics into legal teaching. Business law faculty can raise and explore ethical issues in business situations and educate them on the wisdom of such an approach for decreasing potential legal costs. Prentice (2002), Tran (2015: 137), and several other scholars have gone further to argue that today's business students need more law than ethics in their course curriculum. Elaborating on this point, Allison's notes:

> The fiduciary duties of a corporate manager to the company and its shareholders include both legal and ethical dimensions. The same is true of the fiduciary obligations owed by agents to their principals or those existing between partners. Failing to keep a commitment carries with it clear moral implications in addition to the possibility of a breach of contract claim. Concealing the truth from the other party to a business transaction, trading securities on the basis of inside information, substantially exaggerating the attributes of a product or service, and countless other behaviors embody both legal and ethical implications (1991: 244).

Wharton Business School and several other business schools have already attempted integrating legal studies with business ethics. In India, of course we are yet to conceptualize such integration.

However, ensuring legal compliance alone will not mean satisfying ethical conduct. Milton Friedman had argued that "…there is one, and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud" (Friedman 2002: 133). The "rules of the game" have changed significantly and the argument that "if it is legal, it is ethical" is falsely premised. Paine writes:

> The law does not generally seek to inspire human excellence or distinction. It is no guide for exemplary behavior-or even good practice. Those managers who define ethics as legal compliance are implicitly endorsing a code of moral mediocrity for their organizations (Lamp 2006).

Hence, the conduct of a pharmaceutical company dumping drugs banned in wealthier countries because of side effects in poor nations may be legal but not an ethical business conduct. Thus, it is particularly important for the students to understand that obeying the law is a starting point or minimum standard for ethical conduct. "An ethical person *does more than the law requires and less than it allows*." In short, the fundamental principle of business ethics is that "to *truly* be ethical one must be willing to do more than the law requires and less than it allows" (Lampe 2006: 4).

Conclusion

To conclude, it is beyond doubt that the business schools in India have considered the study of the legal aspects of business as integral to their curriculum. However, its treatment in terms of structure, content, and pedagogy has left the subject to being much desired. Despite the fact that there are over 3900 business schools in India, with varied quality, one could find only a handful of professors of law perusing the discipline as a full-time endeavour. This ad hoc approach towards the study of law, even in top ranked schools in India, has led to a situation where the business law course has become marginalized undermining its importance to the business administration curriculum, thereby creating a large set of studentsunaware or unappreciative of the practicalities of engaging with law. Besides, the business schools in India are yet to move beyond the "constraining" aspect of law and the see law as an "enabler" to business, which would require a more serious attempt towards integrating law with the five functional business disciplines.

Managers can no more afford to be in their silos, relegating the legal problems to the lawyers. It is therefore high time that we reimagine the law as a vital part of business education. Primarily, this would entail that business law course be designed and taught by full-time business law professor who hold at least a master degree in the field (Leibman 1992). Sufficient time in the curriculum should be allocated to providing students with an introduction to business law, and the pedagogy must be made less legalistic and "intelligently simple." A stronger grounding in law, as in the case of economics or accounting, would help the student managers in meeting the challenges of doing business in the globalized world, specifically as they rise in the corporate ladder. The instructor must, therefore, approach the business law course with a duty to prepare, as well as to generate interest in the students for a lifetime of learning in law. The introduction course should also create an appropriate foundation for other law and functional courses that the student may opt in the semesters that follow. The course must, also, prepare the ground for the students to continue to educate themselves about the ever-changing laws that impact business all through their professional life. Thus, the focus of the course must be to prepare the business students, having no formal background on law, a lifetime of appreciating and understanding the basic legal principles of business law, which generally remain constant, and to build on with changing time and context (Nation and Melone 1999: 292). Secondly, beyond the introductory business law course, concerted effort must be made towards integrating and interdisciplinary approach to teaching law with finance, marketing, operations, human resources, strategy, including ethics. IIM Calcutta and IIM Ahmadabad could be credited with leading the way forward in India, however, must need to be done in exploring the "enabling" function of law to business administration and entrepreneurship.

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(Invisible) Disciplines: Sociology and Management

Manish Thakur

Abstract As an academic discipline, sociology has been a part of management education for long. Its intellectual and institutional legacies have been an inalienable part of American management schools after which business schools in India and IIMs, in particular, have been modelled. This chapter discusses the place of sociology in management education in India. It highlights some of the peculiarities of the location of sociology within the IIM system delineating the distinctive Indian twist to the American model in the early years after independence when the Indian state vociferously talked a language of development, modernization and democracy. The chapter evaluates the practices of the discipline in its varied manifestations—teaching, research, training and consultancy—on the basis of professional experience of fellow sociologists, irrespective of their location in a separate centre for sociology or in any other interdisciplinary group in an IIM.

Keywords Sociology · Management · Research · Teaching · Mainstream · Margins

Introduction

Sociology, as such, has not been a stranger to the curriculum of the American schools of business and management—a state of affairs which reflects the high standing of sociology in that country and the strategic importance of Elton Mayo's

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appointment at the Harvard Business School.[1] Way back in 1960, Smith (1960: 103) could claim that "Indeed, the position of sociology in business and management education in the US now seems to be such that it has passed beyond the point at which separate reference needs to be made to it in the curriculum." Even in the School of Industrial Management at the MIT, sociology was present more by the way of immersing its separate identity in the interdisciplinary thematics and areas. Be that as it may, the available evidence suggests that the relevance of sociology to management education had acquired certain taken-for-grantedness from the second half of the twentieth century onwards. This has certainly been the case in the USA, and also to some extent in the UK.

The case for inclusion of sociology in management curriculum as such has been largely made on the basis of its achievement in the USA where the contributions of Elton Mayo loom large. On the flip side, it has also meant equating industrial sociology with Hawthorne experiments. As a consequence, sociology is seen as a palliative for industrial conflict and a source of "social skills"—it has been generally seen as contributing to solving human (read labour) problems in industrial societies. In this fashion, sociology justified its limited uses in business schools and/or in management teaching. In the UK, sociology has been projected as being essentially a study of institutions including a description of representative industrial institutions—the enterprise, the trade union and the labour market. Besides, it included in its provenance the concept of formal and informal behaviour at workplace and focused on the interaction of industrial institutions with other institutions of society—those of class, politics and education. In a manner of speaking, by providing illustrative material on industrial situations, the industrial problems and their social implications, sociology has historically managed to sneak in through the backdoor of business schools.

On another plane, sociology has also resorted to the general and oft-repeated justification of its being a liberalizing influence on aspiring managers and contributing to the understanding of the world managers live and work in. Sociology helps students become more conscious of the subtleties of social environment and the processes of social change shaping it. It is useful in the sense that sociology offers clues into the behaviour of employees as the latter is linked to social structure as a whole. The general argument has been that sociological knowledge makes management students alive to the long-term changes affecting their world. It is equally useful as the managers get insights into the varieties of human values and

[1]Elton Mayo (1880–1949) was one of the key figures involved in Hawthorne studies and his work laid the foundation for the many strands of later management and organizational thinking. He worked in the areas of motivation and commitment and worker–management relations and came to occupy a legendary status as a pioneer of applied social science, especially in the workplace. He emphasized that work is a group activity, that it is social, and that the peer group (informal groups) is highly significant in work relationships. According to him, workers are influenced by social demands inside and outside work, alongside formal structures and groups. His plea was to harness informal groups for greater productivity. He is generally credited with the use of sociological theories to the field of industrial relations (see Smith 1998: 221–249).

conduct which sharpen their understanding of the social context. The overall claim runs like this: sociology can teach managers something about the social structure of industrial institutions, the social values which sustain them, and the social context in which they function; and that the teaching of this kind is both a liberal element in that it broadens the perspective of the student and, at the same time, is an useful one in that it gives him knowledge which may be relevant to practical decisions (Smith 1960: 108).

The Context

It needs to be stressed that IIMs have been modelled after American business schools. George W. Robbins, the then Associate Dean of the School of Business Administration, University of California, Los Angeles, was the consultant hired by the Planning Commission, who put forward the blueprint for an All India Institute of Management (Planning Commission 1957; Robbins 1959). In IIM circles, people keep referring to the active institutional collaboration between Alfred P. Sloan School of Management, MIT, and the first IIM that was established in Calcutta in 1961. Likewise, the IIM Ahmedabad was established in 1962 with the active institutional support of the Harvard Business School. Given the overall national drive towards industrialization, IIMs were created with the apparent objectives of (a) meeting the needs of Industry, Commerce and Government for managerial manpower, (b) assisting in the solution of management problems and (c) developing an indigenous literature on management through an effective programme of teaching, research, consultation and publication. It was generally believed that capital and technology alone did not lead to growth unless sound management acted as a catalyst. Expectedly, management was seen as the missing element in the would-be gigantic industrial enterprise unfolding before the nation—a gap that would be filled by the newly created institutions of management.

Many considered management education to be a creative endeavour in the sense of being an essential element in the process of modernization and in the building of a new social and economic order. Given the spirit of the time, the enthronement of professional manager as the chief director of economic activity in the country was seen as a much-awaited progressive development. Some of them were ecstatic in viewing managers as great change-agents capable of overcoming our backwardness, and "to change our traditional, underdeveloped society into a modern industrialized one" (IIMC 1987: 34). For example, Bhaskar Mitter, the first corporate head and the then chairman of Andrew Yule &Co., presented an evocative convocation address at IIM Calcutta (on April 12, 1971):

> The manager in India has to look upon his work as an intellectual challenge. It is fortunate that many of the best brains in the country today are choosing management as a career, just as at one time the intellectual elite of the country tended to converge towards the ICS. But having come into this profession many of them feel frustrated because the routine and drudgery of their work seems far remote from their colleges and institutes. They are

> inclined to think that their talents are wasted in trying to do humdrum jobs like selling soap or maintaining worn out machines or getting workers to come on time. But *it needs to be realised that in a country like ours it is not pure research that plays the most important role in bringing about transformation. The battle for development has to be fought and won on the shop-floors and in the fields, at the desks, drawing boards and in the market place. The manager who can organise the campaigns for these battles and win them successfully is making more useful contribution towards the transformation of his country than the abstract theorist* (emphasis mine, IIMC 1987: 40)

The policymakers and opinion-makers of those days did not see any conflict of interests between the establishment of IIMs and the pursuit of socialistic pattern of society as a consensual national goal.[2] Rather, IIMs were expected to professionally contribute to the grand ideal of building a socialistic society where public sectors would occupy the commanding heights.[3] Management training was seen as crucial for the efficient and profitable management of public sector enterprises so that persons from administrative services were gradually replaced by the newly trained managers to cut down delays in decisions and thereby enhance profits and productivity, and contribute to the socialist pattern of society.[4] Indeed, D.R. Gadgil, the

[2]It is interesting to note that some of the early professors of IIMs (primarily not only IIM Calcutta, but, to some extent, also IIM Ahmedabad) were well-known Marxist academics and intellectuals. For an absorbing anecdotal account of IIMs in its early phase, see Mitra (2007). Ashok Mitra was a professor of economics at IIM Calcutta who served in important positions in the Central government and was the Finance Minister of West Bengal as well as a member of the Rajya Sabha.

[3]The hope that a larger number of graduating students from the IIMs would take up jobs in the public sector appeared to be a recurring theme in the convocation addresses of the early phase. It is a sign of changing times that public sector enterprises are generally slotted on the last day of placement week in IIMs. In IIM parlance, they are not given the prime zero slot, that is, the first few days which are reserved for multinational companies. As a matter of fact, if graduates have already been offered jobs on the first few days of placement, the public sector may not get them; even when they manage to get graduates they are the ones who could not land the more lucrative jobs offered by the happening firms and companies—the leftovers. In a way, more graduates going to public sector means less prestige for the IIM concerned; conversely, more offers from multinationals get translated into enhanced prestige and reputation for the IIM.

[4]Reminding the graduating students of the heavy public investment in their education and exhorting them to contribute to the society at large, Professor S. Nurul Hasan, the then Minister of Education, remarked at the 7th convocation (on 15 April 1972):

> It is, therefore, not enough for the managers of tomorrow, to have the necessary knowledge, expertise, and skills in managerial operations. These they must have to the highest possible extent, but they will need something plus; namely, a wider vision, a sense of social awareness, and social responsibility, an identification with the masses of the people, a deep sympathy for their travails and sufferings, and a passionate commitment to improving their condition in the shortest possible time. They must also learn to subordinate corporate profits, or personal gains, to the development of the economy as a whole, to the promotion of self-reliance in the country, and to the welfare of the suffering millions. I would also request you to dedicate yourself *to the cause of achievement of Socialism in our country*, and to utilise all your knowledge, expertise and skills, for building up a better world for the common man of India (emphasis mine IIMC 1987: 46–47).

then Deputy Chairman of the Planning Commission, remarked that the cadre of business executives and mangers to be built with the help of IIMs would help make the much-needed transition from "enterprises managed largely on the model of the administrative department to enterprises managed essentially as autonomous business units" (IIMC 1987: 17).

There was another implicit ideal animating the enterprise of setting up IIMs—that of facilitating and reinforcing the processes of nascent industrial democratization in the country. Delivering the first convocation address (on May 16, 1966), Shri Sachin Chaudhury, the then Finance Minister of India, lauded the attempt to bring in industrial management on the basis of professional competence for its potential to offset the strong allegiance to family and caste characterizing business communities in India. According to him, professional management will limit concentration of control over many firms in a few hands with undesirable social consequences. I need to quote him at length to drive home the elements of the vision that was supposed to impart IIMs its public mandate: "As future industrial managers in a democratic society in the second half of the twentieth century, your responsibilities will be much wider than towards shareholders alone, or merely to show a good rate of return on capital invested or to expand the firms concerned. You will have responsibility towards labour, towards others who work with you, and more important of all towards society" (Ibid.: 5). He added, "A good manager has also to look beyond the wealth and welfare of any particular firm he manages. It should be the philosophy of top management that the interests of its business shall not run counter to public good, but will promote it" (Ibid.: 6).

Additionally, the newly minted managers were expected to ensure that the development of the private sector was in keeping with the interest of the community at large: "it is of the utmost importance that the management of private industry and business should also be entrusted increasingly to professional managers rather than to persons whose right to management is based on ownership of personal wealth or the accident of birth" (IIMC 1987: 4). In essence, the higher ideal of an industrial democracy appears to have animated the vision in the sense of growing separation of purely managerial functions from ownership of capital or wealth. More importantly, the private sector was expected to add to the processes of industrial democratization by entrusting management increasingly to professional people.[5]

Ironically, there was a time when there was palpable academic hesitation about the fitness of management as a taught programme or a distinctive university discipline. Management was considered to be some sort of academic *pot-pourri* drawing

[5]IIM graduates were seen as change agents in the context of the then prevailing managerial practices of the private sector which had been a matter of recurring concern. For example, D.R. Gadgil, the then Deputy Chairman of the Planning Commission, in his 3rd convocation address on (May 13, 1968) lamented: "it is true that in the private sector the structure of business is not still far from the family and community type" (IIMC 1987: 17).

parasitically on established social sciences and other academic disciplines.[6] By contrast, now the onus is on sociologists to demonstrate that sociology is a key subject in management. With varying success, sociologists have been offering well-intentioned but suspect mixture of labour problems, trade unions, industrial sociology and entrepreneurship as their areas of disciplinary expertise and somehow have been managing their presence in IIMs. In fact, one of the sociologists—N.R. Sheth by virtue of his pioneering work in the field of industrial sociology—reached the top when he became the director of IIM Ahmedabad.[7] And, with that the glory of sociology in IIMs reached its zenith. In retrospect, that does not seem to have either enhanced the value of sociological research in IIMs or the professional profile of sociologists. Even now, any discussion of sociology in IIMs begins and ends with Sheth. One may pose an interesting question: Why Sheth could not manage to accomplish for sociology in the context of management education in India something Mayo did so marvellously in the USA? But, that would be not only an unfair comparison, but also reduce the complexity concerning the production of the knowledge of the social to the role of a few great sociologists.[8]

In this paper, I focus on the place of sociology in IIMs. I try to evaluate the practices of the discipline in its varied manifestations—teaching, research, training and consultancy—on the basis of professional experiences of fellow sociologists irrespective of their location in a separate sociology area or other interdisciplinary groups. I have also interviewed some of the academics in the management field who have spent considerable time in IIMs and are familiar with its structure and functioning. And, finally, I base some of our observations on the basis of published institutional data such as annual reports, convocations addresses, directors' speech at the convocation, booklets, brochures of various types and other sundry material that IIMs have produced over the years as part of their routine administrative demands and professional packaging terms. Tangentially, I also dwell on as to how the practices of sociology in IIMs relate to those in the universities and other

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[6]At the 5th convocation (on May 16, 1970), Dr. V.K.R.V. Rao, the then Union Minister of Education, appeared to be giving assurance of professional legitimacy to the passing management graduates of IIM Calcutta by asserting that "there can be no doubt that management is a profession and like all professions involves both academic and practical training" (IIMC 1987: 27). In any case, the origins, evolution and the transformation of management education in India (and its implications for social sciences in general including the politics of disciplinary hierarchy in the academy) call for a detailed consideration which I intend to do in a separate paper.

[7]Professor Sheth was the director of IIM Ahmedabad for almost seven years, from 13 July 1984 to 3 May 1991 to be more precise. I thank Shri N.V. Pillai (of IIM Ahmedabad) for this information.

[8]Membership of different committees—government and otherwise, vice-chancellorship and directorship are generally seen as coordinates of academic accomplishments and prestige. As it happens, such recognitions, though accorded to individuals, also enhance the prestige of the discipline they come from. I have referred to the zenith of the glory of sociology in this general sense. However, I have been reminded by the curriculum review committee of the IIM Calcutta that the PGP in IIM Ahmedabad has no compulsory course in sociology notwithstanding Sheth (Meeting of the Curriculum Review Committee with the Sociology Group, IIM Calcutta 14 August 2007).

research centres. Evidently, any such exercise cannot claim any hard data for its observations which are likely to be selective and subjective. I too do not claim any exhaustiveness or any elusive objectivity in what I present below. At the same time, I assert that what follows is not merely impressionistic but is the outcome of careful scrutiny of different sources of information whatever the form. Moreover, my observations are particularly framed by my decade-long location in an IIM. Yet, I do not claim insider's authenticity as much as I discount outsider's biases.

A sense of self-perceived marginalization is all pervasive among a small number of sociologists who teach and research at Indian Institutes of Management (IIMs hereafter). Their marginal location and the attendant marginalization of the discipline they professionally belong to—sociology in the present context—are inextricably linked. The practitioners of the discipline know only too well that their colleagues offering courses, namely *Production and Inventory Control*, *Sales and Distribution Management*, *Strategic Planning and HRM*, *Optimization Models for Industry*, *Options*, *Futures and Derivatives*, and even *Selected Aspect of Macroeconomics,* carry more weight and glamour within the Institute as well as outside. The latter rightfully deliberate on the futuristic vision of the Institute, its mission and mandate, and we ungrudgingly yield to their right to do so. After all, they are the mainstream. They navigate the flagship programmes of the Institute, do consultancy, organize management development (training) programmes (MDPs), and, through their expertise and niche in the academic market place and the corporate sector, bring in money to the Institute. To put it bluntly, social sciences in general occupy a marginal location within these institutions of management howsoever lofty the original ideals might have been to have them along with management disciplines in the first place.

It would be unfair to confine this narrative of marginalization to the design and philosophy of IIMs alone. Interestingly, the mainstream of the discipline (if there is one) bypasses these institutions as potential sites of academic research collaboration. Let us ask ourselves: Does joining an IIM have the same meaning for a sociologist as it has for a management guru? For the latter, coming to these institutions mean as if they had arrived in their professions? The same can hardly be said about a sociologist. It is no secret that in an IIM, sociology is seen more as an add-on than some sort of value addition. For a management student, by and large, sociology courses are unnecessary deviations from their primary tasks of self-fashioning as future managers.

In the Company of "Superiors"

The most fundamental point relates to the inferiority complex being suffered by most of sociologists in IIMs who are anyway few and far between. They have to carry the extra burden of proving all the time to themselves and their peers from other disciplines about the scientificity of sociology. They travel the extra mile to convince themselves as well as those around them that sociology is an empirical and scientific discipline, just few rungs below the natural sciences. I think this is a very dangerous and misleading proposition. Not only does this concede low hierarchy to sociology in relation to natural sciences, but also fails to realize that inferiority does not always carry evaluative implications (see Machlup 1994).

Something is inferior to something else in relation to a particular quality provided that quality is highly valued and whose absence is seriously missed regardless of other qualities present. Moving further, one can think of different possibilities: (a) inferiority might make things desirable (e.g. sandpaper because of its inferior smoothness, anthropology because of its ability to meaningful insights in a micro-setting), (b) inferiority may be simply a matter of indifference and (c) inferiority may be simply regrettable, nonetheless wanted, (e.g. psychiatry is required without its ability to effect quick cures, and biology is essential without the lack of internal consistency in its theoretical systems).

Wherever something is inferior–superior with respect to the same attribute, there is a choice to be made between alternatives. That would mean in the context of natural and social sciences: (a) banishment, (b) no allocation of resources, (c) discouraging the gifted from social sciences and pushing them for “superior” pursuits and (d) withholding respect from social scientists.

However, these possibilities are out of question as natural sciences and social sciences cannot be, by any means, regarded as alternatives. Both are needed and neither can be dispensed with. That would mean that something can/should be done to improve them and remedy their “defects.” But these defects are differences and not *defects* per se.

That there are more variety and changes in social phenomena because of the large number of relevant variables and the impossibility of controlled experiment, that hypothesis in social sciences cannot be verified, that no numerical constants can be detected in the social world are not defects but fundamental principles to be grasped, accepted and taken into account. Indisputably, all differences need not lead to hierarchy and inferiority is context bound. Very often, we fail to appreciate this plain proposition that because of these properties, research and analyses in social sciences hold greater complexity and difficulties, and possibly greater challenge (Ibid.: 5–19). They should not be seen as deterrent. Problems presented by the social world are certainly not unimportant, and if they are also difficult to tackle, they ought to attract ample resources and the best minds. Unfortunately, neither is forthcoming. Seen thus, inferiority boils down to the place social sciences are accorded by society and the political priorities of resource allocation, both human and financial.

Many issues bearing on the place of sociology in IIMs go well beyond the internal politics of the Institute and are conditioned by extraneous factors. In its essence, these are political questions linked to the academy, and not merely those of availability and allocation of resources. The point is that the marginalization of sociology (or social sciences in general) is not only institutionally ordained, but also politically motivated. To that extent, claiming “a space for autonomous academic research” is as much an internal struggle as an external one. The endeavour to carve out a distinctive identity for the practitioners of sociology in IIMs becomes arduous as the latter confront an ingrained tendency among mainstream practitioners to look down upon them for whatever reasons—professional envy, lack of respect for the type of research and teaching they do or simply because of the competing understanding of the calling of sociology.

Sociology in Management Curriculum

For the IIMs, the two-year residential postgraduate programme in management (PGP) is the flagship programme. Over the years, IIMs have been forced to launch various other tailor-made management programmes to cater to different types of constituencies such as young executives, army personnel and senior executives with considerable length of work experience. Also, in some IIMs, there is an amalgamation of core management programme and areas such as information technology, public systems management and agribusiness. Yet, the PGP continues to be the most prestigious brand for the IIMs. A careful scrutiny of the IIM brochures reveals so. For example, the website of the IIM, Bangalore proclaims, “The PGP is designed to enable students to acquire the skills and capabilities that will enable them to reach responsible global positions in management.” Likewise, IIM Lucknow states[9]:

> the curriculum is designed to impart knowledge and skills considered essential for managers to operate successfully in the increasingly dynamic and complex environment. It sharpens and deepens the student’s understanding at different levels: the individual in the organisational setting; the environmental context of the organisation; the dynamics of organisational functioning; and the analytical tools and techniques required in the management of organisation effectively. Understanding the interdependent nature of organisational dynamics and its managerial implications is the basic thrust of the curriculum. It helps the student acquire conceptual and analytical abilities required for making and implementing managerial decisions effectively.

Even otherwise, within the IIMs, participation in the PGP is taken to be the ultimate source of legitimacy and relevance for the faculty members as well as for the groups/areas they come from. Generally, during the two years of the PGP, two sets of courses are offered: the compulsory package and the elective package. Largely, the compulsory courses are offered in the first year and the elective ones in the second year. The stated aim of the compulsory courses was to provide the students with the fundamental knowledge, skills and the techniques, contextual understanding and overall perspective necessary for general management. Compulsory courses are intended to offer broad training to students that will be useful to them in terms of career flexibility and mobility. At least, such courses attempt to equip students with such requisite skills that facilitate their move towards general management positions.

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[9]All citations in this section have been taken from the respective websites of the IIMs. My focus is primarily on the older six IIMs. I assume that the new IIMs are likely to carry the academic and institutional ethos of their “mentor” IIMs.

On the other hand, elective courses have the ostensible purpose of helping students develop an in-depth understanding of areas of their interest. Through such courses, students may choose to concentrate on particular topics or areas of their interest, if they wish. Since most of them are likely to start their careers in one of the functional areas, the specialization through elective courses is geared towards building the special skills required for those areas. Some typical electives courses in IIMs are generally around the areas of marketing, finance, strategy and international business, operations management, human resources management and information technology.

All the IIMs roughly follow the same format for their PGP programmes even when wordings may vary. For example, the IIM Indore (a new generation IIM along with IIM Kozhikode and the youngest in the IIM family) highlights its compulsory package of 22 foundation (core) courses "designed to provide basic knowledge of concepts, tools and techniques in various functional areas and relevant disciplines." It is to be noted that there is strong competition among IIMs themselves and each IIM tries to outshine the other by packaging its programmes in more market-friendly manner. In management parlance, they are constantly engaged in "innovations" at the level of pedagogy and teaching programmes. Many programmes other than the PGP have been an outcome of this sort of institutional rivalry among IIMs.

Ever since the popular media started ranking business schools in India including the IIMs, the latter have been under tremendous pressure to maintain their cutting edge positions. The following excerpts from the IIM Bangalore website display the deeply ingrained sense of competition to maintain and enhance its reputation:

> The Programme [PGP] revolves around the principle that world-class business leaders are not mass-produced; they are nurtured and developed with personalised care and attention, in small work groups and teams, and in a practical, application-oriented user-friendly environment. The programme lays the foundation for conceptual and analytical reasoning, and gives the students an insight into the dynamics of the business environment. It prepares students to manage and lead in global business scenario which is getting increasingly complex and dynamic. The programme design is inspired by *management practice rather than ivory tower academics* (italics mine). The course material and design is oriented towards current and emerging issues in management. The curriculum undergoes a complete transformation every three years. In addition, it is adapted significantly every year to keep it abreast with the current business environment. IIMB has the distinction of offering the largest variety of elective courses in the second year of the PGP. The faculty members keep themselves updated on present management realities by virtue of their extensive involvement in research and consulting. Further, the level of interaction required in the programme ensures that the pool of work experience among the students is effectively tapped. Developing skills in leading and teamwork is an important facet of the programme. This anticipates practices in many of today's successful organisations. The interactive skills of effective communication, conflict management, negotiation and mobilising individuals towards common goals are the essential ingredients of effective management. The entire package of courses is regularly reviewed, modified, updated and augmented keeping in view the industry requirements, latest developments in the specific subject areas and *changes in the social and geo-political scenario that impinge on the management practices* (italics mine).

Indeed, the mission statement of IIM Bangalore gestures towards certain perspective-building courses. However, at the level of practice, most of the IIMs fall short of realizing the full potential of their own ideals. For example, IIM Bangalore rests content by stating that "students are encouraged to take up dissertation work and to do a project on *Contemporary Concerns* under the guidance of the faculty". In IIM Ahmedabad, the most prestigious among the IIMs, I came across a course entitled *Indian Social and Political Environment* as a compulsory course offered during Term 3 (the first year). Another course, *Understanding Contemporary India,* is offered as optional during Term 6. Moreover, IIMA offers one-year PGP in Public Management and Policy (PGP-PMP). As part of this programme, I could find few interesting course titles under the Core Public Management and Policy Module: *Democracy and Development*, *Societal Change and Development*; *Governance and Policy Formulation and Implementation*; *Public Policy Formulation and Implementation*, and *International Economic Relations*. Similarly, *Rural Development*, *Agricultural Development* and *Rural Environment* are some of the course titles being offered as part of the PGP in Agribusiness management. All these courses can easily lend themselves to sociological perspectives and approaches. At the least, the titles suggest so. But despite repeated requests I have not been provided with course outlines.

Apart from IIM Ahmedabad, IIM Calcutta and IIM Kozhikode are the only two IIMs where sociology courses are offered as part of compulsory package. IIM Calcutta has a compulsory course for the PGP: Indian Social Structure (Basic Sociological Concepts). Besides, the Sociology Group of the IIMC offers a set of elective courses for the PGP. Some of these courses have been: *Qualitative Research*; *Rural Development and Social Change*; *Rural Market and Agrarian Structure*; *Sociological Perspectives on Planning*; *Seminar on Development Problems*; *Seminar on Entrepreneurship*; *Social Issues and Social Policy*. Likewise, IIM Kozhikode has a compulsory course called *Social Transformation in India* which is offered in the very first academic term of the PGP itself even when IIMK has no trained sociologist among its faculty members.

In IIM Indore, there is an interesting course by the name "Society, Business, and Management" (started in the year 2000). I have failed to get the detailed course outline but what I learn is that it is being taught by a faculty member trained in law and is oriented towards communicating "the new framework for corporate social responsibility." As per the website, "this course seeks to develop socially sensitive and technically competent business managers, who can contribute not only to corporate excellence but also cater to the needs of the crucial social sector in India. It also helps to develop the social perspective and social ethics, in the minds of the future captains of industry." The website adds:

> The private sector, being the dominant engine of growth, needs to deliver 'economic development and social opportunity' to ensure social justice and equality to achieve the long lasting dream of social harmony and stability. In harnessing the synergy of a new partnership amongst the government, private sector and civil society; and making it a self-enhancing initiative for each one of them, the SBM course of IIM, Indore has a key role to play. PGP participants, work closely with government organizations, civil society groups

> and the private sector, in and around Indore, helping them to design their own solutions to local development challenges like watershed development programs, self-help group formations, micro credit mobilization, livelihood promotion strategies, health sector projects etc. The rich managerial and development expertise, the local reach and *neutrality*, make IIM, Indore a trusted partner for government organizations, businesses and NGOs. IIM, Indore gives them the opportunity to connect to local development projects, with a high level of confidence, stake-holder ownership and transparency - ensuring the best possible results and impact.

Of all the IIMs, IIM Lucknow appears to have been least receptive to the practices of sociology in the sense mentioned in the editorial introduction: in terms of modes of teaching research including both the intellectual orientations of research and teaching, and the institutions within which they are done. I can do no better than quote the personal communication received from a faculty member of IIM Lucknow: “As far as I know there are no courses being taught which have sociological components, and in ongoing research I only know of I do not think much of sociological components are there” (personal communication, 14 July 2007). Potentially though, IIM Lucknow has a stated focus on agribusiness which lends itself to the tools and the accumulated academic legacy of the discipline. But then, the area is monopolized by economists alone.

Interestingly, the mission statement of the PGP programme of most IIMs stresses values and social concerns—the typical justifications for sociology courses in the management curriculum. The following sample is from the IIM Kozhikode:

> Successful management and leadership also involve a potent combination of strategy and values, with the latter weighing in with equal importance according to the Institute’s management philosophy. It is expected and awaited that the alumni of the Institute will be harmonious individuals, socially responsible citizens of tomorrow, in addition to taking up the reins of business and industry. It is with this goal ever in sight that the Institute has evolved a delicate blend of management inputs spanning concepts, *social concerns and basic values*. It is also in line with this view that a continuing involvement of students in social development activities in backward areas provided in the form of a social development project running the entire length of the curriculum. *The stricture on upholding values is, in fact, brought home to the students’ right at the beginning of the programme, when they take a unique, compulsory course on “social transformation in India”.* Some of the other regular courses also have this emphasis in-built in their structures. Thus, *the course in Social and Rural Marketing includes visits to rural areas in the state to provide the students with “live” experiences essential for understanding the issues involved* (all italics mine).

I fail to understand as to why *social sensitivity* (and its English language equivalents) is such a key term finding a place in the mission and vision statements of almost all the IIMs (with minor variations of wordings and emphases). For example, IIM Ahmedabad describes itself as a “a globally respected institute that shapes management practices in India and abroad by creating new frontiers of knowledge and developing ethical, dependable, entrepreneurial and socially sensitive leader managers committed to excellence.”

Sociological Research at IIMs

IIMs are generally not organized in terms of distinctive disciplinary identities. Except for IIM Calcutta, no other IIMs have a separate sociology group. IIM Bangalore comes closer to Calcutta where there is a combined area called economics and social sciences covering mainly the domains of economics, political economy and society, and business law. In IIM Lucknow, the area called business environment has no sociological component which is equally absent from the area of decision sciences. In other IIMs, trained sociologists are generally scattered over areas such as strategic management, organizational development, entrepreneurship studies, business environment and marketing with a definite slant towards rural marketing. Agribusiness and public policy groups are theoretically possible institutional homes for sociologists. But then, the total number of trained sociologists in all the IIMs would hardly touch the double digit. Clearly, there is a problem of scale given the abysmally low strength.

Moreover, sociologists in IIMs are constrained by the lack of a healthy and robust tradition of sociological investigation in the industrial and corporate sectors notwithstanding the subdiscipline of industrial sociology. Surprisingly, even today there is no accessible text or research literature on the increasingly influential Indian managerial class. What you have are indeed coffee table books. Except for the studies of trade unions or labour relations and a few descriptive ethnographies of particular industrial settings, sociologists appear to have missed the opportunity to contribute to some of the frontier areas of research. One notices similar dearth of literature on the theme of sociology of consumption in India. One needs to sociologically probe as to why the tradition of economic sociology has had such a weak foundation in our country. No wonder, most of the cases (which are pedagogically privileged in IIMs) are U.S. based.

Another factor that has a great bearing on the professional profile of sociologists in IIMs is the existing (and dominant) understanding of the scope and purpose of management education. Some of the practitioners of management science themselves have started realizing the need for some sort of traditional liberal education. They have started expressing a sense of unease with the tendency on the part of IIMs to become polytechnic training centres with excessive zeal towards vocational and technical instruction aiming mainly at imparting of techniques and skills on a comparatively narrow front. The disproportionate focus on "competency-building courses" rather than "perspective-building" ones expectedly keeps sociology on the margins of the curricula at IIMs (personal interview with A. Sreekumar, March 28, 2007). Sociology as a humanist discipline has to struggle hard to find a slot in the crowded timetables and the overburdened workload of the management graduates. A discipline which as accumulated such sobriquets as "the science of the leftovers," "the academic custodian of trivialities," "soft in the centre and fuzzy around the edges" has to swim against the tide.

Administrators deciding resource allocations in a multidisciplinary setting often look at the discipline's real and potential contribution to resource generation. Given the corpus of accumulated knowledge, sociology can hardly assert its suitability for MDPs. Its failure on this count—the failure to organize training programmes and to offer enough consultancy to the corporate sector—further pushes it down in the institutional hierarchy. Most of the IIMs are prone to a sort of turf war where faculty and disciplines work to demonstrate their capabilities of relevance in terms of such institutional criteria as MDPs and consultancy. They are more likely to laugh off a sociologist's venture in the field of MDPs as they are not too sure if such MDPs would attract adequate number of participants to make them profitable to the institute. Even as sociologists are increasingly getting involved in NGOs, consultancies, corporate research and new assignments like social auditing, the public image of sociology as an esoteric discipline dealing with worn out themes like caste and village persists among powers-to-be in IIMs. A colleague of mine (who wants IIM Calcutta to drop its compulsory course in sociology) is not convinced at all as to how sociology would help someone who is going to be an investment banker or consultant to a multinational financial firm. More importantly, sociologists in IIMs are ill-disposed (to some extent ill-equipped) to perform tasks expected of them. Most of us come from the universities and the bigger biases of professional socialization generate a "trained incapacity" to practice sociology in settings such as IIMs.

The roots of this socialization go much deeper and are predicated upon the ingrained asymmetrical reward and prestige systems accruing to theoretical and applied research in the university setting. To some extent, it is related to the very nature of university as an institution. Citing Clark Kerr, Lipset observes that even as academics persistently support local and national social change efforts they take an opposite stance when the academy itself is the focus of concern. "Few institutions are so conservative as universities about their own affairs. While their members are so liberal about the affairs of others, the more elite the professor, the more liberal he or she is on social issues; but the opposite holds on matters that affect the academy" (1982: 156). Even otherwise, "the bottom line, to use business school language, is that life at the border of sociology and management is not for everyone. It is a comfortable location only if you are willing to move beyond the boundaries of sociology, and at the same time, are inclined to bring sociological ideas into management" (Meyer 1999: 509–510).

Very often, the pursuit of sponsored or state-promoted research has been seen as a threat to the status of established centres and the integrity of the discipline. There have been fears that too much of encouragement of applied research might slow down the cumulative development of sociological theory and further constrict the already narrowing social and political outlook. Conventional sociologists ensconced in prestigious (and not so prestigious) university departments may find it difficult to move out of the comfort levels that the habitual world of repetitive courses and disciplined classrooms, familiar bodies of literature, research methods and work settings have created for them. To go for a change in institutional sense is unattractive as well as fraught with risk.

In IIMs, sociologists are per force engaged in self-conscious marketing of their discipline and profession as they confront their academic colleagues, administrators and professional competitors from other disciplines, students, the general public and potential and actual clients. I am not saying that these factors are totally absent from the university scene. Definitely, the degrees vary. Sociologists in IIMs see no harm in attempting to expand the domain of the discipline by enlarging the application of sociological perspectives and methods to the understanding and solving of concrete problems. It is not that sociology can solve problems, or offer any readymade answers to the challenges of our times. One needs to stress that engagement in applied research (with all its limitations) does not mean any compromise with the discipline's self-reflexivity.

In a pragmatic sense, extending the scope of the discipline through applied research may be a better professional strategy than ruing the decline in state support for social sciences, or the general decline in the prestige of liberal education, or the public image of sociology. For example, Freeman and Rossi (1984) convincingly demonstrate as to how applied work could mitigate the consequences of the shrinking opportunities for sociologists in the academic labour market. But then, applied sociology continues to have negative associations. In the Indian context, it lacks an image altogether, or at best, has an ambivalent positioning within the mainstream professional establishment. The fear of getting bogged down by applied interests led the professional leaders of the yore to claim a space for knowledge producing activity of the academic kind. As a corollary, it also meant keeping away promising sociologists from such applied interests despite expanding job opportunities in non-university and non-academic settings.

It is not that applied sociology means less rigorous engagement with the discipline. Heuristically speaking, as DeMartini (1983: 333) argues, there are two types of applied sociology. One tradition of work emphasizes the utilization of the basic empirical methods of the discipline in collecting and gathering information needed to make informed decision or opinion on matters of practical concern. Evaluation research, programme evaluation, cost-benefit analysis and social impact assessment, public opinion polling, market analysis, community ethnography belong to this genre of work which finds its organizational expressions in entities such as ORG-MARG-, A.C. Nielson, Microsoft, and numerous research and advocacy NGOs. The other kind of work utilizes the discipline's concepts in interpreting relevant data, and hopefully in providing a more accurate understanding of social determinants and the possible outcome of proposed social action. Analysis of social problems, policy research and analysis would fit in this variety of applied research.

It is possible to maintain a judicious balance between expectations of IIMs in terms of applied research and training and the conceptual and theoretical rigour of sociology. While continuing to be a perspective-building critical discipline oriented towards understanding of social processes and phenomena shaping the context we live in, sociology can also lend itself to theory-driven, case-based and managerially relevant research. As Petrus and Adamek (1988) suggest, sociologists in IIMs can fruitfully employ their relatively easy, if not unfettered, access to business and their databases, for a wide range of research pertaining to issues such as sociological study of language and culture of business. Likewise, sociologists in IIMs can draw on new economic sociology integrating management research with the core concerns of society and apply some of these ideas from economic sociology to concrete business settings. One fails to understand why such endeavour should be confined to IIMs alone or be the sole preserve of sociologists there. Why should not it be a worthwhile academic endeavour if one extends Appadurai's illustrious work on consumption as a category, or one attempts the study of Indian business environment from a sociological perspective? Yet, as Marshall W. Meyer, from the well-known Wharton School, University of Pennsylvania, notes, "the sociological perspective which emphasises the role of values, institutions and social structures in human behaviour is not fully appreciated and may never be" (1999: 508).

By Way of a Conclusion

I find no better way than conclude these tentative reflections on the location of sociological practices in IIMs than by presenting a somewhat lengthy quote from Meyer who captures the predicament and the dilemmas sociologists face in institutions such as IIMs. Evidently, the status anxiety of sociologists in IIMs emanate from two sources: their perceived role and legitimacy within the institution, and outside, that is, in relation to the professional mainstream in the country. They, in turn, are intimately intertwined with the conceptualizations of the disciplinary practices as an established body of knowledge and as a profession. One starts understanding one's professional alienation within an IIM as one reads Meyer:

> At the core of sociology are an assumption and a suspicion. The assumption is that values, institutions and social structures are central to human behaviour—in other words, that it departs substantially from rational choice or simple utility maximisation. The suspicion is that things are not quite what they seem o as simple as they seem to be—this is what Berger and Luckman called the debunking motif of sociology. Our inclination to question rationality and to look for the unexpected leads us to believe that causation is complex, and, often, contingent, and that good empirical work, whether quantitative or qualitative, is preferable to modelling exercises relying on highly stylised assumptions about human behaviour. Management schools and management curricula are dominated by economics. There is a preference for models over hypothesis testing, with the corollary belief that models derived rigorously from the premise of utility maximisation describe how people ought to behave, even if they do not always behave that way. The preference for models is especially strong among MBA students, who seek answers rather than questions and want to learn about opportunities rather than constraints (Meyer 1999: 509).

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Business History: Travails and Trajectories

Rajesh Bhattacharya

Abstract The connection between study of history and management education is tenuous. Scholarly output in business history is expanding in scope and by region. But business history remains marginalized in management curricula across the world. This is despite the fact that management scholars realize the benefits of history—a methodological warning against simplistic, linear thinking and a healthy dose of sceptical attitude towards received views. In this essay, we provide the history of the discipline as it strives to carve out its identity vis-à-vis its more established neighbouring disciplines such as history and economics. We also discuss the reasons for the marginalization of business history in management education. We note that business history has not struck its roots in academic institutions in India, nor has business historians in India developed professional associations to promote their cause as in USA, Europe and Japan. Despite this, scholarship in business history of India is thriving. Thus, there are greater opportunities now for teaching business history in management programmes in India. We look at institutional initiatives in teaching history in management programmes in India. We argue that in the Indian case, the study of business history has a special relevance due to the fact that Indian capitalism has a unique colonial origin and a distinctive post-colonial evolution.

Keywords Business history · Management education · Indian Institute of Management · Economics · Harvard Business School

Introduction

Business history has always had a tenuous connection to management education. Business historians are usually not to be found in management schools, but in social science departments such as history, economics and public administration.

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In management education, teaching of business history has been on decline for some time (Van Fleet and Wren 2005). The discipline, however, has vastly expanded during the same period, with the proliferation of professional journals, academic associations and conferences. In the 1960s and 1970s, the works of Alfred Chandler Jr. at Harvard Business School (HBS) (Chandler 1962, 1964, 1965, 1977, 1990) brought management studies and business history close. Moreover, Chandler's works succeeded in breaking the isolation of the discipline and putting it intellectually at par with other established disciplines. Yet, the subsequent decades saw a divergence between management studies and business history due to several reasons, including "scientization" of management education. There is thus a curious mismatch between the scholarly output in business history today (which is expanding) and its use in management education (which is declining).

The connection between the business history and the broader profession of history is even more peculiar. Business history remains both "inside history and outside history" (Fridenson 2008: 10). It was not born in the history departments but at HBS. Its origins in the business school made it an automatic suspect to historians who questioned its intellectual and methodological value (Fridenson 2008). Moreover, the political conservatism of N.S.B Gras—one of the founders of business history and the first leader of the research programme at HBS—including his opposition to Roosevelt's New Deal, did not go down well with the vast majority of professional historians who were politically aligned with liberal reformism in USA at that time (Galambos 2003). At the same time, the fact that scholars of business history could come from disciplines other than history—such as economics, sociology or public administration—meant that these scholars increasingly came in contact with trends in broader profession of history (Fridenson 2008).[1] Thus, business history developed as an interdisciplinary field which had to face its own "identity crisis" (Hausman 2003).

The study of business history, to the extent it happens, is generally confined to academic institutions in developed countries. The compendium of syllabi on business history, published by the Harvard Business School,[2] is dominated by course syllabi from North America, Europe and Japan. In India, business history had a promising early start when the Indian Institute of Management Ahmedabad (IIMA), the second oldest among the prestigious group of IIMs set up by the Government of India, decided to include business history in its curriculum for the

[1]"Of the president (2000–2001), president-elect, and thirteen immediate past presidents of the BHC [Business History Conference], five are in history departments, five are in schools of business, four are in economics departments, and one has a joint appointment in history and economics. Of the 411 members in the organization's database whose professional affiliation could be identified, 30 % were in history departments, 22 % were in business schools, 18 % were in economics departments, 7 % were in departments or programs in business, technological, or economic history, and 23 % were in other departments, programs, or related occupations (including, for example, law, government agencies, and archives)" (Hausman 2003: 84).

[2]The compendia can be found and downloaded from their webpage on curriculum–http://www.hbs.edu/businesshistory/teaching/Pages/our-curriculum.aspx (last accessed 30 April, 2016).

postgraduate programme in management in the very initial years of its existence. Dwijendra Tripathy, Kasturbhai Lalbhai Professor of Business History at IIMA, designed and led the business history teaching programme there for a long time before it had to be dropped "when students preferred courses more directly applicable to employment…" (Tripathy 2014: 6). IIM Calcutta (IIMC)—the first IIM to be set up in India—has been unique among the IIMs in continuously offering, since the beginning, a compulsory course on Indian Economic and Political History for postgraduate management students. In addition, since 2013, an elective course in Indian Business History has been offered by the present author. IIM Kozhikode (IIMK) has set up a business history museum and has included business history in its foundational coursework with further plans for a full elective course. But, these remain isolated initiatives and management education in India has not, in general, found a place in its curriculum for the lessons from history.

Research on business history in India has matured, yet there is no institutional framework for the development of the discipline. This is unfortunate, given post-colonial India's unique experiments in the development of capitalism—notably, with economic planning on a large scale in a democratic setup. The regulatory regime on which Indian planning depended has shaped the structure of Indian businesses in a way that is quite unique. This is becoming more evident now as India exhibits a very special pattern of growth—with delayed structural transformation, a weak manufacturing and a dominant services sector—which provides causes for both cheer and concern. Recent scholarship suggests that the early years of planning had a far greater impact on determining India's economic strengths and weaknesses than hitherto recognized (Kochhar et al. 2006). Businesses in India face specific opportunities and challenges which shapes their strategies and structures which can only be understood in the concrete historical context of India.

In this essay, we take stock of the current views about the relevance of business history to management education. We also argue that in the Indian case, the study of business history has a special relevance due to the fact that Indian capitalism has a unique colonial origin and a distinctive post-colonial evolution that distinguishes it from its comparators. We try to identify the challenges of teaching business history in management institutions in India, while stressing its importance in understanding the national character of Indian capitalism.

The rest of the essay is organized as follows. In section "The History of Business History," we trace the history of the discipline of business history as it seeks to maintain its thematic and methodological identity in a tensed relation with its neighbouring disciplines such as history and economics. In section "Teaching History in Business Schools," we look at the disconnect between business history and management education and the challenges to teaching business history, noting particularly the crucial role that institutions play in supporting teaching and research of business history. In section "Business History in India," we turn to the Indian context and explore the reasons why business history remains invisible in management education and lacks an institutional framework, despite impressive and expanding research output and isolated but important attempts by several reputed management institutions in fostering research and teaching of business history. The last section concludes.

The History of Business History

HBS occupies a central position in the evolution of business history as a discipline not only because it pioneered the study of history in a business school and has sustained it till today, but also because of the intellectual impact of the works of scholars at HBS.[3] The birth of business history at HBS was due to the initiatives of economic historians such as Edwin F. Gay, N.S.B. Gras and their students. Gay was the first Dean of HBS and an American economic historian of international repute. Wallace B. Donham, who succeeded Gay as the Dean of HBS, was highly appreciative of history and took the initiative to secure funds in the form of Straus Chair Professorship in business history at HBS for the appointment of N.S.B. Gras in that position.[4] Subsequently, Gras led the field of Business History as editor of *Bulletin of the Business Historical Societ*y (which later became *Business History Review*), editor of the monograph series titled *Harvard Studies of Business History*, President of the Business History Foundation and most importantly as a teacher, researcher and supervisor of research on business history at HBS.

The intellectual origins of business history had a bearing on its subsequent evolution. Edwin Gay, like many other American economists of that time, was trained in the German historical school of economics, obtaining his PhD from the University of Berlin under the guidance of Gustav von Schmoller. N.S.B. Gras, as a PhD student of Gay, was influenced by Schmoller and Werner Sombart as well as by the pioneering studies in "business history" by German and English scholars. However, while Gay believed that business history should be part of the synthetic study of economic development, Gras was of the opinion that "business behavior should be studied for its own sake and that new generalizations could only be developed after scholars had amassed a large body of case studies" (Lamoreaux et al. 2008: 39). According to Gras, economic history—in so far as it is influenced by economic theories that focus on the market system rather than the entrepreneur as an actor in the market—will tend to ignore *businessmen* and *business administration* (Gras 1950).[5] This led Gras to engage in amassing empirical material on individual firms and executives, often at the cost of adequate generalization of

[3]To be precise, business history has origins in Europe in the nineteenth century, though it was not known by that term.

[4]Donham was a graduate of Harvard Law School and he introduced case method of teaching at HBS.

[5]"The economic historian often takes his cue from the economist and therefore has no clear vision of the importance of the businessman, though he does play with the metaphysical concept of the entrepreneur" (Gras 1950: 8).

findings or synthesization of ideas.[6] Subsequently, Gras's students and followers produced a vast collection of narrative accounts of firms, entrepreneurs and business managers in the framework of study defined by Gras and the methodology insisted on by him.[7] But, arguably, Gras's attempts at defining the boundaries of business history resulted in a significant narrowing of the scope of research and extreme isolation of business history from other disciplines.

This lack of intellectual exchange between business history and economic history in its early days in USA is curious since both have their origins in German and English intellectual traditions in the nineteenth century. In particular, the influence of the German historical school of economics on both economists in general and on economic historians in particular in USA was quite prominent. The scholars of the German historical school of economics were methodologically opposed to the dominant neoclassical and Austrian schools of economics and criticized them for their emphasis on static analysis, abstract theorization and deductive reasoning, including mathematical modelling. Instead, they prescribed careful empirical work, inductive reasoning and a holistic approach to the study of economy that is connected to its social, political and cultural context.[8]

Long after the waning of the influence of the German school of economics in Germany and elsewhere, including USA, business historians continued to hold that economics is "founded on a method of analysis that is essentially static and hence cannot account for the development of new business capabilities over time or, more generally, for innovation" (Lamoreaux et al. 2008: 38). Among economists, Joseph Schumpeter, a Viennese Economist at Harvard and arguably one of the most influential economists of the twentieth century, was of the view that prevalent economic theories failed to recognize the disruptive impact of entrepreneurial innovation on the economic system, which according to him was the "fundamental phenomenon of economic development." In later years, Schumpeter's emphasis on the role of "creative destruction" in driving the dynamics of industrial capitalism placed large corporations and not individual entrepreneurs at the heart of action. Given his emphasis on evolutionary dynamics and his views on entrepreneurial

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[6]See Gras and Larson (1939) which was used for teaching business history.

[7]Gras's works were also motivated by his views on Roosevelt's New Deal in the context of Great Depression and widespread popular critique of financial capitalists. According to him, "[i]n the long run, the New Deal would corrupt democracy and necessitate its abolition…In Germany and Italy the Jews have been the scapegoats and in America financial capitalists" (Gras 1939) quoted in Galambos 2003: 12). Galambos (2003) argues that "[to] a considerable extent, the second generation of business historians [following in Gras's steps] ignored the problems of synthesis and was satisfied with developing correctives to the "progressive" analysis of businesspersons as robber barons" (Galambos 2003). The focus on what individual businessmen do as business *administrators* was essential to constructing a more positive image of businessmen.

[8]The intellectual fight between Edwin Gay and NSB Gras—both influenced by the German historical school of economics—was over the scope of the study of business history rather than on the methodology per say. While Gay was more in favour of a history of business that locates it within the broader evolutionary dynamics of the economy, Gras identified business history as the historical study of "business administration in action."

innovation as the principle motor of change, Schumpeter belongs more or less to the same tradition as Schmoller and Sombart.

Schumpeter is an important figure in business history, though he himself probably did not view business history as separate from economic history (Lazonick 2008: 68). His direct influence was visible in much of the work produced at the Harvard University Centre for Research in Entrepreneurial History which, under the leadership of the economic historian Arthur Cole, functioned as a vibrant multidisciplinary research centre between 1948 and 1958 (Jones and Wadhwani 2006). Some of the most influential scholars associated with the Research Centre were sociologists such as Talcott Parsons, economic historians such as Alexander Gerschenkron and Joseph Schumpeter (along with graduate students like David Landes and Douglas North) and business historians such as Alfred Chandler Jr. and Thomas Cochran. It adopted a well-defined research programme (Schumpeterian) and an eclectic approach to entrepreneurial history, thus facilitating intellectual exchanges between disciplines (economics, sociology, psychology and history). In contrast, at HBS, business history had atrophied and become increasingly isolated from other disciplines due to Gras's insistence on a single valid method of doing research in business history (Galambos 2003).

The stimulating intellectual environment of the Research Center had a lasting impact on Alfred Chandler Jr.,[9] whose subsequent "influence on business history has been so dominant that parallels in other subfields are hard to find" (McCraw 2008: 209). After obtaining his PhD from Harvard, Chandler worked at MIT and John Hopkins University, before he joined HBS as Professor of Business History in 1970. By the late 1950s and 1960s, Chandler began publishing his works on large American multidivisional firms—such as Du Pont, General Motors, Standard Oil and Sears Roebuck (Chandler 1959, 1962, 1964, 1965)—that culminated in his notion of managerial capitalism (Chandler 1977, 1984). By managerial capitalism, Chandler meant an economic system dominated by large, multidivisional firms which were controlled by salaried managers (distinct from owners, business families or financiers) who replaced markets in coordinating flows of goods and services. Though influenced by Schumpeter, Chandler identified not the entrepreneur, but the professional class of salaried managers as the prime movers of the economy. Chandler did not study Ford Motors, but his paradigm was ideally suited to study what came to be widely referred to as the Fordist system of mass production and mass consumption, enabled by the technological innovations unleashed by the Second Industrial Revolution (1870–1914). In a broader sense, Fordism refers to the postwar mode of economic growth and associated social and political order in USA and other advanced capitalist countries. According to Chandler, in the era of managerial capitalism, "[i]n many sectors of the economy the visible hand of

[9]"Gras was pleased to instruct us, but he made it clear that there was only one way to write business history, his way…After our discussion I almost decided not to become a business historian. Fortunately, at that moment I was asked to participate in the Research Center for Entrepreneurial History, which Joseph Schumpeter and Arthur Cole had organized. …These years were intellectually the most stimulating in my life" (Chandler 1978: 2–3).

management replaced what Adam Smith referred to as the invisible hand of market forces" (Chandler 1977: 1).

Chandler's works dominated research in business history over the next three decades and gave birth to a lively research programme at HBS in the late 1960s and 1970s. He moved business history away from narrative accounts and a singular focus on individual entrepreneurs towards more analytical studies of complex organizations using a mix of inductive and deductive reasoning that could yield general propositions. It is for this reason that Chandler is rightfully credited with establishing business history as a serious academic discipline. For the first time, business history broke out of its academic isolation as Chandler's works began to be read by scholars and came to influence research in other disciplines.[10]

At around the same time that Chandler began reshaping business history, a group of economists, known as New Economic Historians or Cliometricians, were reshaping economic history in a radical way, by grounding it more solidly in the dominant economic theory. This led to a further widening of the gap between economics and business history as the Cliometricians were contemptuous of business history and business historians found no place in New Economic History for what they usually study—entrepreneurship, managerial functions or business strategies.

However, since the 1970s, the New Institutional Economists started developing a theory of the firm by addressing the question raised by Coase (1937)—namely which activities are coordinated outside the firm (i.e. in the market) and which are coordinated inside the firm? Building on Coase's original idea that market transactions involve costs, Oliver Williamson (Willaimson 1981) argued that asset specificity and costly bargaining in the face of imperfect information explains the emergence of firms as replacement for market transactions. Williamson himself found Chandler's works useful and illustrative of his theory. The New Institutional Economists moved away from the traditional treatment of the firm in economic theory as a black box of production and towards an economic theory of organization that recognized hierarchy, power and governance structures. But, Chandler remained unconvinced by the New Institutional Economics.[11] Chandler, however, endorsed the neo-Schumpeterian evolutionary economics of Richard Nelson and Sidney Winter (Nelson and Winter 1982) which inspired research mostly outside economics departments and had no impact on mainstream economics profession

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[10]Chandler's analysis of strategy was appreciated by the sociologist Pierre Bourdieu (2005). His works influenced the writings of New Institutional Economists like Oliver Williamson (1981, 1985). Chandler's influence on management literature in general and strategy literature in particular has been enormous (Kipping and Uskiden 2008).

[11]Chandler's primary orientation was sociological—being particularly influenced by the works of Talcott Parsons and Max Weber in particular. He felt that "Max Weber's single chapter on bureaucracy written before World War I had more useful information and a more significant approach to the problem of the growth of the large corporation than almost anything written in price theory" (Chandler (1968) quoted in McCraw 2008: Footnote 22, pp. 220–221). To the extent economics influenced Chandler's works, the main influences on him were Joseph Schumpeter and Edith Penrose, both of whom worked outside the mainstream economic tradition.

(Lazonick 2008). Thus, despite Chandler's breakthrough and the institutional turn in mainstream economics, there has been no significant increase in cross-disciplinary dialogue between economics and business history, at least in USA.

Outside USA, Chandler's works were particularly influential in Germany and Japan, where research had traditionally focused on successful, large-scale corporations and on the crucial role the State played in the emergence of national industries in each of the countries. In Germany, business history was more grounded in social and political history; in Japan, business history literally took off from the Chandlerian paradigm. In both countries, individual researchers resisted using economics and professional associations of business historians did not show much enthusiasm for exchange with economists, including the New Economic Historians or Cliometricians. In Britain, where Chandler's ideas had much less of an impact—partly because giant, managerial enterprises that Chandler studied were less important in Britain than in USA—business historians were more open to economics in general and New Economic History in particular.

Chandler's influence began to wane with (a) the decline of the large, vertically integrated, multi-divisional enterprises giving way to more specialized, less integrated enterprises, (b) geographical dispersion of production such that markets and networks now replaced hierarchical management as the principle coordinating mechanism, (c) the rising challenge to the global dominance of U.S. firms in many industries by successful enterprises from other countries with different histories of capitalism and (d) financialization of the U.S. economy and the ascent of the principle of maximization of shareholder value with the concomitant erosion of the relative autonomy of the managerial class. In the 1990s, the "narrow" Chandlerian framework—with its focus on large enterprises and his teleological model of business development with USA as the normative example—gave way to a more "open architecture" of research in business history which recognized historical alternatives, non-convergence and varieties of business firms (such as family firms, business groups, industrial districts and clusters and entrepreneurial start-ups.) (Jones and Zeitlin 2008).

One of the most influential alternatives to the Chandlerian paradigm is the "historical alternatives approach" to business history developed by a group of researchers first at MIT (Piore and Sabel 1984; Sabel and Zeitlin 2002; Hirst and Zeitlin 1991). Their works proposed a definitive break with the Chandlerian paradigm as well as dominant paradigms of economic history. Emerging at the end of the Fordist era of mass production and mass consumption, the "historical alternatives" approach resurrected the history of the nineteenth-century industrial districts or regions in Europe where networks of small and medium firms, relying on artisanal skill and general-purpose machinery, created viable business models based on flexible specialization.

According to the "historical alternatives" approach, there is no linear history, and thus, Fordism is not the teleological outcome of developments in either technology or organization. It is argued that due to a series of events since the 1970s—e.g. increased global competition, new technology such as ICT and rapid increase in wealth in advanced countries—mass production of standardized products in high volumes using special purpose machinery, unskilled workers and routinized work was no longer a competitive strategy. The paradigm of craft production or flexible specialization was presented as an alternative paradigm of "manufacture of a wide and changing array of customized products using flexible, general-purpose machinery and skilled, adaptable worker" (Hirst and Zeitlin 1991: 2). This mode of organization historically was embedded in regions and was strongly governed by social regulations and institutions. The "historical alternatives" research programme not only reinterpreted the history of economy and technology of the nineteenth-century Europe, but it foregrounded success stories of flexible specialization from USA, Europe and elsewhere in the twentieth century—Emilia Romagna in "Third Italy," Baden-Wurttemberg in Germany, the Japanese industrial organization and Silicon Valley in USA.

The "Historical Alternatives" is not the only alternative to the Chandlerian paradigm to emerge since the 1990s. There are research programmes in business history grounded in mainstream economics (the New Institutional Economics of Coase and Williamson), neo-Schumpeterian evolutionary economics (of Nelson and Winter) and various strands of critical postmodern thought. There is no consensus on methodology as in the days of Gras or a dominant paradigm as in the days of Chandler. Business history has come a way long way since Gras's initial paradigm of narrative accounts of individuals and firms. Chandler moved business history towards a study of complex organizations, the "historical alternatives" school brought region and industrial clusters into the study of business history, and postmodern works have sought to bring culture, race, gender, ideology, etc., into the study of business history. As a result, business history has become more analytical and is being increasingly subjected to critical reflections by its practitioners. But, as we have seen before, its methodological openness, while being a source of vitality and dynamism, has also contributed to its denigration by established disciplines such as economics.

With respect to history, its relation is no better.

> In a number of countries, it is hard to imagine a history department hiring a business historian per se and many need to repackage themselves as national or international historians, often with uncertain outcomes. (Fridenson 2008: 29)

This is so despite the fact that business history has contributed immensely to history—e.g. specific areas of study like social history of politics and public policy and specific methods of study like oral history. Since the days of Gras, however, historians have been prone to "criticize business history for its human or financial links with industry, commerce, and banking or for its connections with the fields of business administration or organization science, at which some historians still gaze suspiciously" (Fridenson 2008: 31). This is despite the fact that business history scholars in many countries (France, Italy, USA, etc.) are often leftist (even Marxist) scholars.

Business history thus continues to hold its ground as a distinct discipline identifiable from the broader traditions of history and economics by its insistence on business unit as the object of study, its interdisciplinarity and methodological openness. The proliferation of different strands of research in business history in recent times is a sign that "business history is today more interesting than it has been at any time since the founding of the subdiscipline in the 1930s" (Galambos 2003: 29).

Teaching History in Business Schools

Despite the increase in the volume of scholarly output, the expanding membership of professional associations of business historians[12] and its recent geographical expansion (particularly in Asian and Latin American countries),[13] business history remains marginalized in management education. Comparing findings from two surveys of the status of history courses in business schools in USA in 1982 and 2003, Van Fleet and Wren (2005) report that "(1) less history is being taught than was the case in 1982; and (2) the history that is being taught is not in separate courses by individuals who are prepared by their professional education and who are interested in teaching the history of their business discipline" (Van Fleet and Wren 2005: 53).

Teaching history to MBA students poses certain challenges, as Gras recognized when he initiated the teaching programme in business history at HBS.

> Teaching History to a group of professional students just a few months before they expect to enter practical affairs is an exceedingly difficult task. I am not sure I will succeed, but I do sympathize with the motive behind the experiment, that is, to give the students a cultural background for their work and perspective to their work (Gras 1927 quoted in McCraw 1997: 154)

Students at business schools do not ordinarily come to study history. Neither does history provide conceptual tools or technical skills for tackling everyday challenges of management. What history provides is a perspective that distinguishes business leaders from ordinary businessmen.[14] A global and historical perspective enables leaders to understand the nature and direction of change and to take decisions accordingly.

In an interesting article, McCraw (1997) summarized the following interesting lessons from teaching history courses at HBS.

1. Country experiences show that there are various models of capitalist development and each country must carve out its unique path.
2. Government acts as the developer and regulator of business environment without which credible business commitments and sustained economic growth are not possible.

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[12]The U.S. Business History Conference is estimated to have 550 members and Business History Association of Japan 850 members in 2000 (Amatori and Jones 2003).

[13]See Amatori and Jones (2003), Kudaisya (2011), Dávila and Miller (1999) among others.

[14]See Mayo and Nohria (2005) for the discussion of contextual intelligence and leadership.

3. Social equilibrium cannot be assumed and must be carefully sustained in order to avoid catastrophic outcomes for business and society.
4. Economic changes impose heavy social costs and businesses should be appreciative of the social tensions that inevitably accompany change.
5. Business requires moral choice and business decisions and strategies must respect moral absolutes and basic human rights and needs.
6. Champion performers are often unbalanced people and their personal lives do not make pretty stories.
7. Business depends on both the individual genius that revitalizes institutions and institutions that provide stability and predictability as a counter-force to the disruptive impact of individual entrepreneurial initiatives.

This list of lessons is revealing as to what business history delivers—it provides an account of business as part of social history. It impresses on students that businesses are embedded in society and a given social context imposes certain constraints and presents certain opportunities for decision-makers. More importantly, business decisions are both shaped by and in turn shape the social context. Finally, the benefit of studying history is the cultivated tolerance of ambiguity and contingency and a reasoned rejection of all that is linear and formulaic (Smith 2007).

Faculty members in business schools may often privately realize and publicly acknowledge that history is important in management education, but like all nice things that must make way for pragmatism, such beliefs usually get a quiet, solemn burial. There are several aspects of management education worldwide that contribute to the negligence of history in management curriculum. It has been argued that business schools themselves have succumbed to the trends of "de-professionalization" (Trank and Rynes 2003; Pfeffer and Fong 2004). To the extent business schools submit to the market pressure to *sell* their programmes to students and their students to recruiters, they degenerate into "glorified vocational schools, training people for jobs, rather than educating them as professional managers" (Gioia and Corley 2002: 108). Professors frequently complain of "dumbing down" of course content and grade inflation to ensure student satisfaction and frequent curriculum review to signal relevance and conformity of their academic programmes with business trends (Trank and Rynes 2003). Even accrediting agencies focus more on "mission-oriented internal processes than agreed-upon professional standards" (ibid: 190), while media rankings often forces business schools to focus on the image rather than the substantive content of their academic programmes. In such a scenario, the axe falls often on courses such as history. In this, the recruiters' real or perceived preference for desirable skills and knowledge in students also influences the academic curriculum.

The second challenge of teaching history in business schools is the predominance of case method of teaching as a pedagogic principle. At HBS (and at many other business schools), history courses are taught using the case method. Chandler himself viewed cases as mini histories of management and business administration. It is possible through company cases to bring in the history of the firm. But, it has also been pointed out that the case method of teaching has some limitations for teaching of history. Cases present situations from the real world involving a problem of decision-making without, however, providing the particular resolution of the problem by the actors and protagonists involved or their identities. Thus, cases present raw historical data, but not historical records, since they suppress the identities of the actors, the actual decisions and the short-run and long-run consequences of the decisions. History, on the other hand, deals precisely with the resolution of the problem and it is the nature of the resolution of the problem—success or failure—that throws light on the broader principles that act as a guide for decision-making in the present (Kikpatrick 1987). Moreover, cases are more frequently drawn from the recent past to present students with contexts closer to what they are likely to face, whereas history often deals with events that happened long ago. The case method therefore poses some challenges to the integration of a historical perspective in the teaching of courses in business schools, leaving all learning of history to stand-alone courses.

The third reason for marginalization of history in business schools is the "scientization" in management research and teaching (Kipping and Uskiden 2003). While Chandler's works—in particular, his book *Strategy and Structure* (Chandler 1962)—helped establish business history as a serious academic discipline and had a strong influence on management research in the 1960s and 1970s, the initial impact of his research did not sustain. Methodologically management research and business history moved in opposite directions in the later part of the twentieth century, with management studies trying to develop into a "science" with natural science as the normative model. The quest for scientific method with its requirements for "rigour, parsimony, validation and generalization" created a lack of interest and even denigration of business history. It was argued that scientific management research should have the following among other characteristics.

> An emphasis upon current and immediately observable organizations in the interests of full and rigorous data. Historical research, while not ruled out, is given second level priority and rigorous comparative studies substituted at the first-priority level (Delany (1960) quoted in Kipping and Uskiden 2003: 100).

According to a widely cited critique of the trend towards scientization of management studies, "[t]he problem is not that business schools have embraced scientific rigor but that they have forsaken other forms of knowledge" (Bennis and O'Toole 2005: 10). Business history, on the other hand, is characterized by much catholicity of concepts and methods and has remained largely unpersuaded by the methodological strictures of the "scientistic" approach. As such there has been less and less communication between business historians and management scholars.

Given these formidable challenges to teaching history at business schools, it should be clear that only supportive institutional frameworks can provide space for business history in management curriculum. The Business History Initiative launched in 2012 at HBS is the evidence of continued support by an institution which pioneered the discipline and sustained it through the vicissitudes of nine decades of its existence at HBS. The elective history course at HBS (begun by Gras) used to attract very few students (between twenty and thirty) during 1920–1950. It changed dramatically by the late 1970s and 1980s when Chandler redesigned the course and renamed it as "The Coming of Managerial Capitalism: The United States." This course has subsequently been revised several times by Chandler and other historians at HBS. The enrolment in the course increased rapidly to reach more than 400 by the 1990s, which was more than 40 % of the class. In terms of student evaluation, it regularly ranked among the top two or three courses. In the mid-1990s, HBS's historians were asked to develop a short history course (titled "Creating Modern Capitalism: How Countries, Companies and Entrepreneurs triumphed in Three Industrial Revolutions") to be taught as part of the new compulsory four-week "Foundations" curriculum for all entering MBs students. The collaborative effort that went into creating this compulsory course is noteworthy—apart from eight authors, forty-five persons, including research assistants and outside reviewers, were involved, finally producing a 711-page text and more than 140 pages of teaching notes and totalling twelve person-years' of work (McCraw 1997). At one time, this course was taught in ten sections by five historians, four economists and one political scientist. The compulsory course is now defunct, but currently there are three history electives for MBA students at Harvard—"The Coming of Managerial Capitalism," "Entrepreneurship and Global Capitalism" and "Creating the Modern Financial System"—in addition to a Doctoral Seminar in Business History.

Collaborative effort need not take place at the level of the institution only; it could be across institutions and even countries—as the example of the Copenhagen Business School (CBS) shows. Unlike most of business schools in Europe, where business history remains marginalized, CBS has a strong presence of business history with a group of faculty members, PhD students and postdoctoral fellows. The Centre for Business History was established at CBS in 1999 with the objective of teaching and research in business history and several courses on history are offered in various programmes in management. In the undergraduate International Business programme at CBS, the compulsory Semester I course on "The Company in its Historical and International Setting" struggled in its initial years due to poor student evaluations despite several revisions of the syllabus. It was found that the students—both domestic and foreign—wanted to know more about Scandinavian capitalism, whereas the course used the same textbooks that HBS used—which meant that the reading material was dominated by cases mostly from USA, the major European countries and Japan (Iversen 2012). The lack of teaching material on the history of Scandinavian capitalism led business historians from four different business schools—BI Norwegian Business School, The Stockholm School of Economics, Helsinki University and CBS—to produce a new text book, *Creating Nordic Capitalism: The Business History of a Competitive Periphery* (Fellman et al. 2008). Since then, the course has consistently been among the most highly evaluated courses in the programme.

The Business History Society of Japan (BHSJ) is the largest academic association of business historians in the world with 850 members in 2000. According to Kudo (2003), there were over three hundred business historians affiliated with universities throughout Japan at the beginning of the millennium, with over forty chairs of business history in large faculties of economics, commerce and business management offering many courses in business history in business management and business information science departments. Since business and economic history was a requirement for graduation, there was large enrolment in undergraduate course. Though membership of BHSJ remained stable over time, interest in study of business history among undergraduates is declining (Yongue 2012). The BHSJ conducted a survey in 2000 to understand the nature of the problem in order to find a solution. The survey revealed that students clearly preferred cases over theories and more recent history and current affairs over events in the more distant past. The faculty members teaching history responded by expanding the selection of case studies to make history relevant to students and to rekindle their interest (ibid). However, the economic problems of Japan and declining employment opportunities present some of the biggest challenges to business historians in sustaining a lively scholarly interest in the classroom.

Beyond such collaborative initiatives at the level of the institution (as in HBS), between institutions (as in CBS) and by professional associations (as in Japan), the expansion of teaching and research in business history has mainly been due to individual initiatives wherever the rest of the faculty at the institution was tolerant of or at least not overtly hostile to business history. The Business History Initiative at HBS has been bringing out a series of compendia of syllabi of business history courses (around two hundred in total) from around the world—with regional coverage.[15] The compendia is dominated by courses from North American, European and Japanese academic institutions, but other regions are also developing their traditions of business history (Dávila and Miller 1999; Amatori and Jones 2003).[16]

Business History in India

Business history emerged in India with studies published primarily by economists and economic historians between 1930 and 1950. The first two Indian Institutes of Management setup by the Government of India in 1961—the first one in Calcutta and the second one, within a month, in Ahmedabad—both developed traditions of teaching history to postgraduate management students from the very beginning. This happened at around the same time that business history emerged in Japan. Yet, unlike Japan, India has not developed a stable institutional framework for the study

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[15]See Footnote 3.

[16]See the *Guide to Courses in Business History Vol 2* (available at http://www.hbs.edu/businesshistory/Documents/BusHisCoursesVol2Web.pdf, last accessed April 30, 2016) and the *Report on the conference "Business History in Africa, Asia, and Latin America: Integrating Course Development and New Research" held on June 13–14, 2014* (available at http://www.hbs.edu/businesshistory/Documents/Final_Conference_Report_11.14.pdf, last accessed April 30, 2016) at HBS. Both are outcomes of the Business History Initiative at HBS.

of business history.[17] Despite a substantial volume of work in business history, the discipline itself has not been recognized as such in India and many scholars of business history do not identify themselves as such. Writings on Indian business history have generally been undertaken by historians, economists and even journalists, with little influence on management education and with little exchange with management scholars.

As elsewhere in the world, professional historians in India are deeply divided along ideological lines, with liberals—of both nationalist and leftist schools of Indian history—dominating the profession. Given the colonial history of India and given the colonial origins of India's large business groups, business remained an unsavoury topic of intellectual inquiry for a long time. When businesses were studied by Indian historians, it was often, though not always, studied as part of political or social history.[18] This attitude to business history, however, began to change in the 1980s.

Yet, one reason why business history has not coalesced into a self-identified discipline is that despite some dominant themes in research on Indian business history—entrepreneurship and family firms, business communities, State and business, politics and business, etc.[19]—there developed no research programme or research paradigm that brought groups of scholars pursuing similar themes together. What is missing in India is something akin to Gras's research programme, a Schumpeterian or Chandlerian framework or even a broader research programme like the "making of Indian capitalism." This is despite the fact that, like in Japan, individual Indian scholars were not unaware of the inapplicability of analytical frameworks borrowed from the West,[20] yet business historians as a community failed to develop a specifically Indian perspective in this field. However, this is part of a larger failure of the Indian academic community which, with some exceptions, has generally failed in developing Indian perspectives in their fields.

One of the major challenges to business history in India has been the lack of sustained interest among businessmen in research on business history. The 58th session of the Indian Historical Records Commission in 2003 passed a Resolution (Resolution VI) that recognized the need to identify business houses that are willing to make their records available to researchers or need assistance in

[17]For example, there is only one journal in the field—*Journal of Entrepreneurship*—brought out by Entrepreneurship Development Institute of India at Ahmedabad.

[18]The fact that scholars in general did not identify themselves as business historians did not stop them from doing research on business history and since the 1970s, at a brisk pace too, with significant contributions by liberal or leftist historians.

[19]See *Introduction* by Medha Kudasiya by in Kudaisya (2011).

[20]Tripathi (1971) argued for a "new line of inquiry" to understand Indian entrepreneurship, focusing on the "interaction of the ever-changing economic, political, and social environment on one hand, and personal influences of caste, family affiliation, nature and level of education, contact with and impact of the activities of others on individual decision-makers, on the other" (Tripathi 1971: M65). Tripathi also cautioned against a simplistic application of the Chandlerian framework to the Indian context (Kudaisya 2011).

cataloguing/preserving their records for making them available to researchers. Though there have been some commissioned histories by professional scholars of business groups and leaders, Indian businessmen, in general, have not been very enthusiastic about giving access to business records and firms, though the situation has improved in the last two decades (Kudaisya 2011; Tripathi 2014).[21] The 123-year-old Tata Group has launched the Tata Central Archives and the 100-year-old Godrej group has opened up its collection of private papers, speeches, annual reports, etc., to scholars (Kudaisya 2011).

A bigger problem for business history is that it has not found a place in the public educational system of India consisting of universities, research institutions, institutes of technology such as the Indian Institute of Technologies (IITs) and even top management Institutions such as the Indian Institutes of Management. At IIMA, in its very initial years, Dwijendra Tripathi was appointed assistant professor of history and was asked to lead the teaching programme in business history. He later held the Kasturbhai Lalbhai Professor of Business History at IIMA, the first and perhaps the only chair professorship of business history in India.[22] IIM Ahmedabad (IIMA) was set up with support from HBS which influenced its pedagogy and curriculum. But unlike HBS, the teaching and research programme in business history remained the sole initiative of Dwijendra Tripathi, with the result that when he left IIMA, the programme had also to be shut down. A boost to research in business history came with Tripathi's initiative to organize IIMA Seminar Series in Business History in the early 1980s, which brought together respected scholars from India and outside. From these seminars emerged there volumes of essays edited by Tripathi (1984, 1987, 1991), which made a substantial addition to teaching and research material on business history.

Despite the promising start, the teaching programme in business history at IIMA did not attract many postgraduate students as expected, even though the course was highly appreciated by those who took it.

> If I were to tell a student how business history was important for their career, I couldn't explain. I could only say it provides a perspective for thinking. It helps your imagination. But that was not cutting too much ice with anybody. (Tripathi, in Kumar et al. 2011: 34)

The doctoral course at IIMA, however, was very successful, prompting Tripathi to argue that courses in business history are probably best offered at the doctoral level (while keeping it open to postgraduate students), where the course can be embedded in a research environment with students reading research articles and books and presenting in class as part of joint learning (Kumar et al. 2011).

A course specifically dedicated to business history was not offered at other IIMs till 2013, when a new 3-credit (30 h) elective course titled "Indian Business History" was offered at IIM Calcutta (IIMC) by the present author. The course is offered at the end of the 2-year postgraduate management programme, so that

[21]Lamb (1976) had noted that traditional Indian businessmen tend to keep company affairs out of public scrutiny.

[22]It is now called the Kasturbhai Lalbhai Chair Professor in Entrepreneurship, IIMA.

students can independently apply the historical perspective to their lessons from different courses they have taken over two years. The course is designed as an introduction to a history of Indian business in the modern period—i.e. the period covering India's transition to the modern industrial economy. The colonial period was crucial to this transition, as contact with European businesses unleashed many forces that transformed the activities of traditional Indian business communities, including their transformation into industrial capitalists. This transformation was neither smooth nor linear, always involving both collaboration and conflict between Indian entrepreneurs and business groups with, first the colonial state and then, the independent Indian State—a complex relation shaped by the changing domestic and international contexts. The course takes the student through the vicissitudes of this journey through the early and late colonial periods as well as the planning and post-reforms periods of independent India, right up to the present. The motivation behind this course is not to study history for its own sake, but to understand the present. The lectures emphasize the contemporary relevance of specific historical experiences through examples. The objective, clearly presented to students, is to understand the irreducible complexity of organizing business in society and to highlight the importance of strategic decisions by business actors in response to changing business context.

The course uses analytical literature (including research articles) to discuss particular topics such as the *bazaar* economy in the colonial period and the evolving economic structure in the postcolonial period as well as case studies to discuss particular aspects of Indian business History—pertaining to individual figures such as Dwarkanath Tagore or Walchand Hirachand, business houses such as Birlas and Ambanis, sectors such as textiles and automobiles and individual organizations such as Amul or Maruti. Students are formed into groups to do research and make a classroom presentation on a particular topic.[23] The course has been offered twice and has attracted a good number of students in both years with an encouraging and improving student evaluation of the course. However, it is too early in the life of the course to deduce any lessons for teaching business history to postgraduate students at IIMC.

History of Indian business, whether it is recognized by that name or not, has matured in the last four decades with an expanding and already-impressive range of scholarly work.[24] This has resulted in the publication of several books that can now be used as texts for courses on business history (Tripathi 2004; Tripathi and Jumani 2013; Kudaisya 2011). In designing a course on Indian business history, it is important to emphasize the distinctive aspects of the story of Indian capitalism, starting from colonization and ending at the present, so that the relevance of history

[23]See Appendix for course syllabus.

[24]The fact that *Business History Review* brought out a special issue called "Business, Networks and the State in India" in 2014 is evidence that research on business history of India has reached a certain stage of maturity.

in understanding contemporary problems can be demonstrated. Fortunately, enough research has accumulated to tell this fascinating story.[25]

The business history elective at IIMC would have been difficult to conceive had it not being for the fact that IIMC has been offering, since its beginning in 1961, a compulsory course on Indian Economic and Political History for postgraduate students in the first term of their 2-year programme. While courses on economic history or economic and political history are quite common (and often are required courses for graduation) in undergraduate and postgraduate programmes in Indian universities, the course at IIMC is consciously taught from a particular perspective—it focuses on the dynamics involving business, State and politics that has shaped industrial history of India from 1757 to 1991. In this sense, the course already introduces the students to some of the dominant themes in Indian business history—the legacy of the colonial rule, the State and business in India, Indian politics and the business class as political actors, etc. Thus, it is much easier to pitch the business history elective to students at the end of the programme, given the introduction they receive in the compulsory history course at the beginning of the programme.

This course has a colourful history of its own, having been taught by several of India's most reputed historians at various times. The tradition of teaching history at IIMC is connected to its origins and formative years. IIMC was set up with the support from MIT's Sloan School of Management, which adopted a philosophy and pedagogy of teaching in management programmes that was different from HBS. The approach was more analytical and the emphasis was on core disciplines like economics, psychology, sociology, applied mathematics and statistics in addition to management subjects such as marketing, production, finance and organization. Unlike IIMA where faculty members were trained at Harvard and the case method reigned supreme, IIMC's collaboration with MIT consisted of some of the MIT faculty visiting IIMC, taking classes and doing research with some faculty members at IIMC. There was much less of direct influence on curriculum and pedagogy and faculty members at IIMC developed their own pedagogic devices and curricular character.[26] Quite early in its life, it was clear that IIMC was "not a typical business school," as Amartya Sen described it to one young scholar, while encouraging him to join IIMC faculty (IIM Calcutta 2012).

The eminent historian Barun De joined IIMC in 1963 as the first professor of social and economic history and stayed at IIMC till 1973. De, who was the second chairperson of the postgraduate programme, developed the course Indian Economic and Political History.

> The way I used to teach economic history was that I would focus on what I thought were the secular trends. There was a book that I used to use and I got Sabyasachi [Bhattacharya] to use it also. It was called *Enterprise and Secular Change*. It was a collection of papers on entrepreneurial history, brought out by the American Economic Historian. That book taught

[25]See Introduction by Kudaisya (2011). For a bibliographic survey of the literature on Indian business history in India, see Benjamin and Rath (2005).

[26]For the institutional history of IIMC, see IIM Calcutta (2012).

> entrepreneurial history from readings, all of which focused on the social and economic milieu, which we through MIT, were taught to call environment. When I had set up a group separate from economics, I called it the Environment of Social Change. But MIT would have taught it as strict economic history, more of the econometric history variety. MIT were trying to sell us Fogel and the economics of slavery. Econometric history was one of the great streams—and MIT was trying to sell that to us, hook, line and sinker. (Barun De in IIM Calcutta 2012: 108–109

The business history course at IIMA was motivated by a similar approach as Tripathi makes clear in the following statement.

> There is a notion that business history is a sub-discipline of economic history. I refuse to accept that because I feel that business history is closer to social history than economic history alone simply because business history is a result of forces operating in a society, and if you do not understand social history, you do not understand business history. (Tripathi in Kumar et al. 2011: 22–23)

Thus, teaching of history in management programmes in India has been methodologically aligned with the global intellectual trends, as discussed in the section “The History of Business History”.

The compulsory course at IIMC has retained, to this day, its original vision as laid down by Barun De—that of providing an understanding of the social milieu of change in the business world. Subsequently, the course was taught by other historians such as Sabyasachi Bhattacharya and Raghabendra Chattopadhyay. Bhattacharya’s case studies on adoption of technology by artisans and craftsmen in India during the colonial period (Bhattacharya 1966) are used in the business history elective at IIMC. Chattopadhyay’s widely read work on the evolution of the idea of Planning in India and the role played in that history by India’s capitalist class (Chattopadhyay 1991) is an essential reading of the compulsory course on Indian Economic and Political History. Currently the course is co-taught by a political scientist and an economist (i.e. me) in six sections with a total of around 460 entering students.

The faculty community at IIMC has stood behind this course through many curriculum reviews—illustrating once again, the crucial role the institution plays in supporting history at business schools. Quantitative student feedback has shown ups and downs through the long life of the compulsory course, but qualitative feedback reveals that a significant section of the respondents finds the course to be one of the most interesting at the end of the first term, while others mainly complain of the difficulty of the readings. Attempts are being continuously made to address the problem by revising the list of readings (and bringing in other teaching aides). It is also heartening to see, from our interaction with the alumni, that students realize the value of the course later in their professional career even if they did not find the course interesting as students in the programme.

IIM Kozhikode (IIMK), set up in 1996, launched a unique initiative in 2010 to create the country’s first Indian Business Museum, covering 23,000 ft.[2] and with exhibits covering the entire history of Indian business from Indus Valley Civilization to independent India. The business museum aims to showcase the contribution of business leaders in the making of modern India. IIMK also developed plans to introduce business history into the curriculum of postgraduate management programme, using the business museum as a unique pedagogical resource, around which the course would be structured.[27] A course on business history has been run as a pilot six-session workshop for two years for the incoming batch of 360 postgraduate and doctoral students as part of their orientation. IIMK is considering offering it as a full-fledged elective course in business history for second-year postgraduate students.[28]

IIM Bangalore (IIMB) organized a Roundtable on Business and Entrepreneurship History in 2009 to discuss the opportunities and challenges of teaching and research in business history. The organizers expressed a felt need at IIMB to introduce business history as a course at IIMB. The workshop brought together young and senior scholars of business history, including economists, historians, anthropologists and journalists, to discuss issues related to research (themes, methods, culture of research and challenges to research in India) as well as teaching of business history. With respect to the latter the participants discussed whether the course should be called business history or entrepreneurial history, whether it should start from the colonial period or from independence and whether it should be a doctoral course or a course for postgraduate students. The Working paper that emerged from the roundtable (Kumar et al. 2011) is a valuable document that records current thinking by business historians on current trends in research, the state of history education in the country and the challenges to teaching and research in business history in India.

These initiatives are isolated attempts by individual institutions or individual faculty members in institutions. As far as the general picture of history in management education is concerned, top business schools in India show similar trends as those in North America, discussed in the previous section,—primarily due to the fact that Indian management education tends to follow the North American model. There are additional peculiarities in the Indian system that presents some specific challenges to teaching history in management programmes in India. First, the top management institutions in India, led by the Indian Institutes of Management, are stand-alone institutions and are not part of universities. As such there is less scope of intellectual exchange between faculty in management and other disciplines and consequently less cross-disciplinary dialogue. Second, within the public higher education system, barring a few universities and research institutions recognized as “centres of excellence,” the Indian government has, over time, created and favoured a small group of elite institutes such as the IIMs and the IITs, at the cost of the larger public university system which remains chronically resource-starved and badly managed. As a result, management institutions such as IIMs suffer from elitist isolationism, thus cutting themselves off from the broader intellectual trends. This is

[27]See Ramnath Aparajith in Friedman and, W.A. and Jones, G. (ed) *Report on the conference “Business History in Africa, Asia, and Latin America: Integrating Course Development and New Research” held on June 13–14, 2014* (available at http://www.hbs.edu/businesshistory/Documents/Final_Conference_Report_11.14.pdf, last accessed April 30, 2016) at HBS.

[28]The syllabus for the course is in the report cited above in footnote 27.

particularly crucial in the case of history, since most of the research in business history is done in social science departments in universities and research institutes. Third, the student profile in flagship postgraduate programmes in management at IIMs is extremely skewed—being dominated by students from engineering backgrounds (more than 90 % at the top-ranked IIMs such as IIMC, IIMA and IIMB) and science backgrounds, with hardly any student from humanities and social science backgrounds.[29] The engineering education of students provides little exposure to social science and humanities—being often limited to a few compulsory courses in their engineering programmes, which hardly ever includes history—with the result that the overwhelming majority of the students in the management programme had their last serious encounter with social sciences, including history, at the age of 15 or 16 in school. This acute lack of academic diversity in class makes teaching history many times more challenging, since history demands an appreciation of ambiguity, nonlinearity and contingency when facing a problem, while engineering education often fosters a linear view of change in students and trains our students to think in terms of a unique technical fix to any problem. Finally, 40 to 50 per cent of the students, even at the top three IIMs, come with no or little (i.e. less than a year's) work experience, which implies that they did not have enough experience in the complex world of business to temper their engineering orientation.

Despite these problems, it must be said that the students in the top management programmes are exceptionally bright and hardworking and if teachers can explain the relevance of history to the world of business and use some means to make learning history easier for them, the students usually do appreciate the history being taught in class. In fact, business history can often be an interesting value course for them and a "different" sort of experience to end the programme with. That is why courses like business history might be in demand towards the end of the two-year programme.

Conclusion

The main challenge in teaching business history to students in Indian management institutions is to make them understand how history weighs heavily on the present in India and why ignorance of the specificity of capitalist development in India is likely to have an impact on the success or failure of their business decisions. In India, management studies, like many other disciplines, rely heavily on North American resources for their conceptual frameworks, with the result that the management curriculum hardly enables a student to develop an Indian perspective

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[29]The students at the top business schools often come from the elite IITs—a fact which is, no doubt, partly explained by the lacklustre performance of the manufacturing sector in India, which forces students to opt for managerial jobs, even when after they receive coveted engineering degrees from the best engineering institutions in India.

to business. The lesson from comparative business histories of countries is that each "successful" country developed its unique variant of capitalism. The success or failure of the Indian business class depends on its critical reflection on how it has shaped and was in turn shaped by the specific form of evolution of the Indian society over time—i.e. on the *historic* role that the business class has played in the past and must play *in the present*.

The journey to capitalism is complex, tortuous and uncertain. It depends on the specific history of the country as well as the contemporaneous global context. The role of the State is significant in shaping the path of development. Capitalist development has always been a matter of national strategy. One must not forget that the rise of the modern capitalist economy is historically tied with the development of the modern nation-state. The instruments of state policy have always been central to the making of national capitalism, which involves the creation of a basic inclusive social infrastructure for capitalism as well as successful business organizations. But the State not only responds to demands of business communities, it must also deal with social tensions that inevitably follow the development of the capitalist economy which radically transforms the way people live. Markets, by their nature, are always destabilizing at the microlevel and an aggregate measure of its benefits can be misleading. In a capitalist society, the State has the dual function of responding to political demands of the people and reproducing the conditions for capitalist expansion. It is thus the State–business–society connection that lies at the heart of the study of business history. Managers need to be sensitive to this, because business investments are often made in the face of radical uncertainty and business strategies contain an element of gambling against unknown future. An understanding of the historical evolution of the interaction between the State, business and society provides a firmer foundation on which to base such strategies and form expectations regarding future.

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Appendix: Outline of Elective Course on "Indian Business History," IIM Calcutta, 2014–2015

Course Code and Name: [PPM 265] Indian Business History
Course Instructor: Rajesh Bhattacharya, Public Policy and Management Group
Course objectives:
Course Evaluation: There will be an midterm examination accounting for 40 % of the grade, a two-page response paper on any one of the readings on the reference list, accounting for 20 % of the grade and a presentation (individual or group, depending on the number of students enrolled in the class) at the end of the term on a topic of the students' choice, approved by the course instructor and accounting for 40 % of the grade.

Topics and Reading List:

Session I	Introduction: *What is Business History? Lessons from History for Managers*
Session II	Indian Businesses at the Time of Colonization: *Agriculture, Industry and Trade in the period of decline of Mughal Empire* Reference: Habib, I. "Potentialities of capitalistic development in the economy of Mughal India." *The Journal of Economic History* 29.1 (1969): 32–78.
Session III	European Agency Firms and the Managing Agency System: Case Study—Carr and Tagore Company *Early colonial rule and the fate of indigenous merchants in different parts of India—origins of agency houses and their failure in Calcutta in early nineteenth century—maturation of the managing agency system.* Reading: Tripathi, D. and J. Jumani. *The Concise Oxford History of India Business.* Oxford University Press, New Delhi. 2007. PP. 20–36, 111–12
Sessions IV–V	The Rise and Maturation of Indian Industry in the Colonial Period: Case Studies—Scindia Shipping, Tata Steel, *Swadeshi* enterprises in Calcutta *The rise of Indian industry in Western India—profits from opium trade and the rise of cotton textile industry in the second half of the nineteenth century—British dominance of industry in Eastern India—Multinationals, Agency houses and rise of Marwari industrialists in Eastern India in the early twentieth century—the impact of two World Wars and the Great Depression on the rise of Indian industry—Swadeshi and Indian businesses.* Readings: Kudaisya, M. (ed) *The Oxford India Anthology of Business History*, Oxford University Press, New Delhi. 2011. PP. 225–234, 258–281 Goswami, Omkar."Sahibs, Babus, and Banias: Changes in Industrial Control In Eastern India, 1918–50." *Journal of Asian Studies* 48.2 (1989): 289–309.
Session VI	The *Bazaar* Economy: *Indigenous capital and the bazaar economy (between traditional subsistence economy and the modern European enclave economy)—traditional commission agencies (arhat) and financial instruments (hundi)—the contemporary relevance of the concept of the bazaar economy.* Reading: Ray, Rajat Kanta. "The bazaar: changing structural characteristics of the indigenous section of the Indian economy before and after the Great Depression." *Indian*

	Economic and Social History Review 25.3 (1988): 263–318.
Sessions VII–VIII	*Business Communities in the Colonial Period: Parsees, Marwaris and Nattukottai Chettiars* Reading: Kudaisya (2011): 122–130, 135–158
Sessions IX	Technology Adoption by Artisans in the Colonial Period: *Role of artisan-craftsman in industrial revolution in Britain—Case studies of slow and difficult adoption of new technology in colonial India in silk filature, cotton ginning and iron smelting—artisan resistance.* Reading: Bhattacharya, S. "Cultural and Social Constraints on Technological Innovation and Economic Development: Some Case Studies." *Indian Economic and Social History Review* (1966) 3.3: 240–267
Session X	Private Business in National Plans in Independent India: *Independent India and the planning period—the conceptual division of the economy into sectors and the place of private industry in economic planning—growth of traditional big business groups during the Nehru era—conflict and collaboration between the Indian State and business groups.* Reading: Tripathi and Jumani (2007): 155–181
Sessions XI	License-Permit Regime and the Business Response: Case Studies—Birla, Ambani *The restrictions on private business in late 1960s through 1970s and business response—Aditya Birla Group and Multi-nationalization of Indian Business, Dhirubhai Ambani and the Stock Market—Expansion of the public sector* Reading: Kudaisya (2011): 381–405
Session XII	Capital Accumulation from Below: Case Study—Powerloom Sector *Development of capitalism from below—Indian textiles and garments industry—policies and evolution—the story of powerloom.* Reading: Roy, T. "Development or Distortion? 'Powerlooms' in India, 1950–1997." *Economic and Political Weekly* 33.16 (1998): 897–911
Sessions XIII–XIV	Alternative Models of Business Success: Case Studies—Amul, Maruti and Tiruppur Knitwear Industry *Amul and the cooperative model—Maruti and the state-initiated revolution in the automobile market—industrial cluster in the Tiruppur area.*

	Readings: Bellur, V.V., et al. "The white revolution—How Amul brought milk to India." *Long Range Planning* 23.6 (1990): 71–79. Becker-Ritterspach, F. A.A, and J. C.E. Becker-Ritterspach. "The Development of India's Small Car Path." *Management Online Review* (2009): 1–20. Cawthorne, P.M. "Of networks and markets: the rise and rise of a South Indian town, the example of Tiruppur's cotton knitwear industry", *World Development* 23.1(1995): 43–56
Session XV	Origin and Evolution of Indian Software Industry. Reading: Khanna, T., and K. Palepu. "The evolution of concentrated ownership in India: broad patterns and a history of the Indian software industry." in Morck, R.K., *A history of corporate governance around the world: Family business groups to professional managers*. University of Chicago Press, (2005). 283–324
Session XVI	Evolution of Indian Business Groups *The salience of family businesses—rise of new industrial elites—trends in industrial concentration.* Reading: Kedia, B.L., D. Mukherjee, and S. Lahiri. "Indian business groups: Evolution and transformation." *Asia Pacific Journal of Management*, 23.4 (2006): 559–577
Session XVII	Social Origins of India's New Capitalists *Baazar-to-factory, office-to-factory, field-to-factory transitions—caste and entrepreneurship.* Readings: Iyer, L., T. Khanna and A. Varshney (2013): "Caste and Entrepreneurship in India", Economic and Political Weekly, XLVIII(6): 52–60. Damodaran, H. "India's new capitalists: Caste, business, and industry in a Modern Nation." *South Asian Journal of Management* (2011): 141
Sessions XVIII–XIX	Student Presentations
Session X	Summing Up: Contemporary Challenges to Businesses in India

Topics for Student Presentations in 2014–2015:

1. E-Commerce Industry in India
2. Public Sector Insurance Firms
3. *Dabur* Company
4. Indian Automobile Industry
5. Garment Industry of Tiruppur
6. Indian Software Industry

7. Nattukottai Chattiars
8. Economic Development and Democracy
9. Microfinance Industry in India
10. Crony Capitalism in India
11. The House of Tatas
12. Indian Industries and Labour Laws
13. *Fabindia*

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