



Management education in India: the challenges of changing scenario

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Abstract

In India, management education has made significant growth since its inception in 1950s, and by the mid 1960s, India became one of the leaders in the field of management education; at present, India has the second largest number of business schools in the world. However, the mushrooming of B-Schools in India led by globalization has resulted in an intense competition among the B-Schools themselves giving rise to many contemporary issues and challenges in the changing time affecting the quality of management education in the country. The present study is a review paper in nature and aims to study the growth of B-Schools in India and the resultant competitive landscape. The analysis found that although the number of B-Schools has increased significantly in India, the quality aspect did not receive due attention. The B-Schools in India have been facing a number of key issues and challenges which have been addressed in this paper. Moreover, the distribution of B-Schools across states and zones in India has been found to be very much uneven and highly correlated with industrialization.

Keywords B-Schools · Management education · Globalization · Competitive landscape · India

Introduction

The term “management” in English is derived from the French word “management” which denotes the professional administration of business concerns, public undertaking, management institutions to utilize all available resources and optimizing benefits to all its stakeholders (Edwin 2015:101). Thus, the term management education can be described as an institutional arrangement for providing expertise in applying various

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tools and techniques in the field of business which is dynamic and ever changing in nature. Management education should not be confused with vocational training. A vocational training seeks to impart specific skills required for a job. This need not refer to manual labor; a pilot's training is also vocational training. Though management education at first concerned itself with the development of the needed skills for managing an enterprise, since the beginning, it was also widely recognized that pure skill inputs are not adequate and management education needed to give broader inputs such as on behavioral, interpersonal skills, humanities and philosophy (Manikutty 2011). However, management education plays a pivotal role in triggering the entrepreneurial spirit among the management graduates (Balaji 2013:1257) since entrepreneurship education also seeks to provide students the knowledge, skills and motivation to encourage entrepreneurial success in a variety of settings applying the management functions of forecasting, planning, organizing, staffing, directing, leading and controlling. Apart from the common subject on entrepreneurship learning, management education also provides specialization on entrepreneurship development and many of the management institutions have entrepreneurship incubation cell within the campus which encourages teachings as well as research in entrepreneurship and its related domains.

Management education started its journey in late nineteenth century in France and USA. The first business school of the world, EMLYON, was started in Lyon (France) in 1872 followed by the establishment of Wharton School at the University of Pennsylvania in 1881 which was followed by the establishment of many more business schools in different countries of the world (Edwin 2015:101). Management education as a contingent discipline had been drawn from various other subjects such as economics, psychology, sociology, history and the like to develop its theoretical framework (Shetty 2014:140). However, it has made tremendous progress worldwide during the twentieth century and has established itself as an independent academic discipline and one of the most sought after courses in the entire globe.

In India also, management education has made significant growth since its inception. After the USA, India has the largest number of business schools compared to any other country in the world. India got its first official management institute way back in 1953, the Indian Institute of Social Welfare and Business Management (IISWBM), Kolkata, though XLRI is the oldest, it did not provide MBA degree during that time (Philip 1992:19). It is on November 13, 1961, when the foundation of the first Indian Institute of Management, Kolkata, was laid followed by Indian Institute of Management, Ahmadabad, and Indian Institute of Management, Bangalore. Since then, India has witnessed a gradual growth in this sphere of education and by the mid 1960s, India became a leader in the field of management education.

Moreover, after globalization and liberalization in 1990s, India saw a change in the form of new policy being adopted which gave rise to private corporate houses in various sectors including education and the MNCs of the world started to invest in India because of its huge consumer base. The advent of global companies and the growth of national corporate houses brought a sea change in the educational scenario of the nation, with more management institutions or B-Schools blooming up to produce quality managers to run the companies, as quality workforce was much required to manage and expand the business. With all these changes taking place, a new industry grew up and that is the industry of management education, which was initially started

to supply human resources to the other industries, but then itself became a huge market for investment and returns. However, this mushrooming of B-Schools in India has led to an intense competition among the B-Schools themselves giving rise to many other contemporary issues and challenges in the changing scenario.

Keeping in mind the significance of management education in the process of a nation's development and the mushrooming of B-Schools in India, this study is undertaken to discuss the growth of B-Schools and the resultant existing and emergent competitive scenarios and also to highlight the key issues and challenges of management education in India.

Evolution of management education in India

Business education in India has a long and an interesting history. It is found that early business schools of nineteenth century were focused on the commercial side of business, seeking to fulfill the needs of the then British Government. Saha (2012:35) and Shukla (2013:19) described the historic development of management education in India in the following way:

- India's first commerce school Commercial School of Pachaiyappa Charities was set up in the year 1886 in the southern city Chennai (Madras).
- In 1903, British Government initiated commerce classes at secondary school level starting initially at the Presidency College in Calcutta with a focus on business communication, secretarial practice, correspondence, accounting, etc.
- The first commerce college of India was founded in 1913 in Mumbai, i.e., Sydenham College.
- Followed by another college in Delhi in 1920 as Commerce College, later on, it was renamed as Shri Rama College of Commerce.
- Catholic community founded Xavier Labor Relations Institute (XLRI) at Jamshedpur in 1949 with an intention to train man power to create and spread the knowledge required for managing industrial enterprises in India.
- Indian Institute of Social Welfare and Business Management (IISWBM) was set up in 1953 in Calcutta. This is considered as India's first official management institute as the earlier institutions did not provide MBA degree that time.
- In 1954, The University of Delhi started providing management education under the Department of Economics.
- Encouraged by the results, Government of India applied for and obtained grant from the Ford Foundation in 1961 to launch two Indian Institutes of Management, one at Calcutta (West Bengal) and other at Ahmadabad (Gujarat). This grant was focused on helping American business education knowledge and models to other nations and having intensive collaboration with an American B-School for facilitating the transfer of learning.
- The Indian Institute of Management, Calcutta, was established in collaboration with the Sloan School of Management for faculty and pedagogy development in the year 1961, with an intention to focus on quantitative and operational aspects of management.

- Indian Institute of Management, Ahmadabad, founded in 1961 by taking support from Ford Foundation and The Harvard Business School, America, pioneered the case study method of teaching in India.
- Another Indian Institute of management was founded in Bangalore (Karnataka) in 1973.
- The Indian Institute of Forest Management was set up in 1982 in Bhopal (Madhya Pradesh) as a leader in specialized management education for the entire forestry system in India with the help of IIM, Ahmadabad.
- In 1984, the Indian Institute of Management, Lucknow (Uttar Pradesh), was established.
- In late 1990's, two more Indian Institutes of Management were set up, one at Kozhikode (Kerala) and the other at Indore (Madhya Pradesh). The mission of Indian Institutes of Management was to professionalize Indian management education through teaching, research, training, institution-building and consulting with the support of expertise developed by the pioneering IIMs.
- Followed by the set up of more IIMs and other B-Schools in the country, for example, since 2007–2016, 14 IIMs have been established in different parts of the country along with the establishment of other B-Schools operating in different setups like university departments, private B-Schools and B-Schools under other autonomous institutions like IITs and NITs and the like.

Growth of B-Schools in India

The growth of B-Schools in India has been very phenomenal. The increase in the number of B-Schools approved by All India Council for Technical Education (AICTE) is shown in Table 1.

Table 1 shows that the number of B-Schools comparatively decreased during 2010–2018 and the reasons behind the same have been found to be the market

Table 1 Number of B-Schools (AICTE approved) in India: 1950–2018

Year	No. of B-Schools ^a	No. of B-Schools added during the previous decade
1953	1	0
1980	118	NA
1990	322	204
2000	744	422
2010	2549	1805
2018	3267	718

^aOnly AICTE-approved B-Schools are shown in column 2 of the table

Source: (1) Afza (2012:35)

(2) The information pertaining to the years 2010 to 2018 retrieved from AICTE website (www.aicte-india.org) on March 4, 2018

saturation as well as the changes in the policy of making the AICTE approval optional for the university departments and few other institutes like institute of national importance and some autonomous institutes providing management education. Thus, in total, there are more than 3267 B-Schools in India providing management education both at undergraduate and postgraduate level.

The state-wise distribution of B-Schools in India is found to be uneven. Table 2 shows the state-wise distribution of AICTE-approved B-Schools:

Table 1 shows that the distribution of B-Schools across states in India is very much uneven. Some states have more numbers of B-Schools, whereas some other has very less. The states like Uttar Pradesh, Telangana, Tamil Nadu, Karnataka, Maharashtra, Andhra Pradesh and Madhya Pradesh have large number of B-Schools, but the states like Tripura, Meghalaya, Nagaland, Sikkim and Mizoram have only one B-School in each of the state. This shows that the northeastern states have less number of B-Schools as compared to others, and keeping this in mind, the zonal-wise number of B-Schools has been retrieved from the AICTE website to see the zonal-wise distribution of B-Schools. The zonal distribution also shows that the distribution of the B-Schools across the zones is not even. The zones like eastern, northeastern and southwestern have less number of B-Schools, whereas the zones like northern and southern have more numbers of B-Schools. This distribution of B-Schools across zones is shown in Fig. 1 in the form of map.

The distribution of B-Schools across states as well as across zones shown in Fig. 1 reflects that the number of B-Schools is high in those places where the number of factories is more and vice versa; that is, the level of industrialization and number of B-Schools are directly co-related with each other and hence, to see the level of co-relation between these two variables, Pearson's coefficient of correlation between the number of factories and the number of B-Schools has been calculated for two different time periods. At first, the coefficient of correlation between these two variables was calculated for 2012–2013, and later, it was calculated for 2017–2018 with five years of difference in between the two periods.

Thus, from the calculation in Tables 3 and 4, it is found that the correlation between the number of factories and the number of B-Schools is significantly high at 0.01 level of significance, and hence, the establishment of the B-Schools in a particular place is highly influenced by the number of factories available in that place. The correlation between these two variables for the 2017–2018 was also calculated and is shown in Tables 5 and 6.

The calculation of coefficient of correlation between the number of factories and the number of B-Schools for the year 2017–2018 also shows that the correlation between the number of factories and the number of B-Schools is significantly high at 0.01 level of significance. Thus, to have even distribution of B-Schools, it is important to have even distribution of factories across states.

Table 2 State-wise distribution of AICTE-approved B-Schools in India. *Source:* AICTE Report, retrieved from AICTE website (www.aicte-india.org) on March 4, 2018

S/N	Name of state	No. of institution
1	Andaman and Nicobar Island	01
2	Andhra Pradesh	362
3	Assam	11
4	Bihar	26
5	Chandigarh	03
6	Chhattisgarh	22
7	Dadra and Nagar Haveli	01
8	Delhi	41
9	Goa	01
10	Gujarat	92
11	Haryana	128
12	Himachal Pradesh	09
13	Jammu and Kashmir	16
14	Jharkhand	15
15	Karnataka	218
16	Kerala	84
17	Madhya Pradesh	224
18	Maharashtra	379
19	Meghalaya	01
20	Mizoram	01
21	Nagaland	01
22	Odisha	82
23	Puducherry	08
24	Punjab	118
25	Rajasthan	82
26	Sikkim	01
27	Tamil Nadu	350
28	Telangana	383
29	Tripura	01
30	Uttar Pradesh	502
31	Uttarakhand	49
32	West Bengal	55
33	Total	3267

The number of students enrolled in AICTE-approved B-Schools in India since 2008–2009

The number of students enrolled in management courses at postgraduate level has been found to be fluctuating at various time periods, and many researchers claimed that this fluctuation is due to fluctuation in the number of students in engineering and technology at graduate level as most of the management graduates are from engineering background. To see the relationship between the number of engineering graduates and the

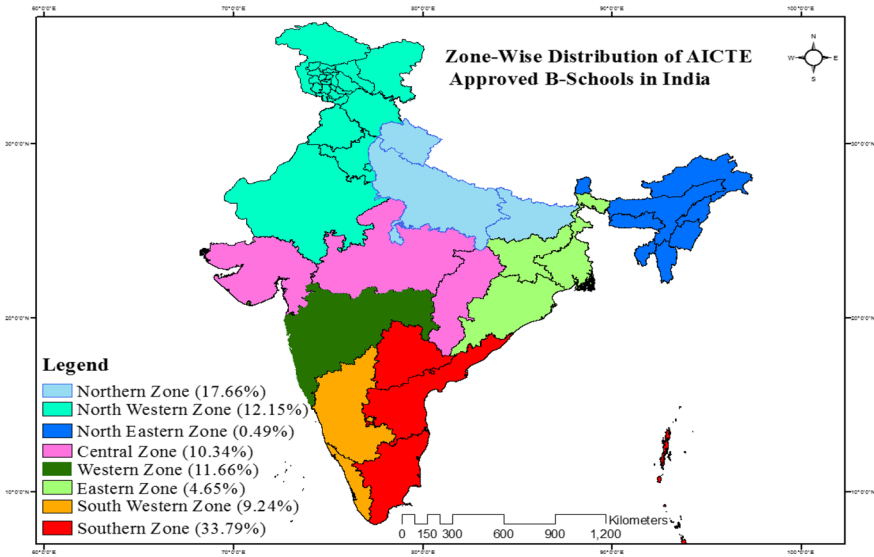


Fig. 1 Zone-wise distribution of B-Schools in India (as on March 4, 2018). *Source:* Developed by the Researcher

number of students enrolled in management courses at postgraduate level, the Pearson’s coefficient of correlation between these two variables has been calculated considering data since 2008–2009 to 2017–2018 which is shown in Table 7.

From Table 7, it is seen that there is close relation between the number of engineering students and the number of management students because when there is an increase in the number of engineering students, there is an increase management graduates and vice versa although there are exceptions for various reasons. To see the exact relationship between the number of engineering students and the number of management students, the Pearson’s coefficient of correlation was calculated and the results are shown in Table 8.

The results show that the correlation between number of engineering students and the number of management students is significantly high and this was also evidenced from the number of engineering students in the management courses which is more than 70% in most of the top B-Schools. The reason behind this according to many renowned academicians is the structure of entrance test for admission into management courses like CAT, MAT, XAT, GMAT, etc. However, in the year 2018, the structure of CAT has been changed to make it comfortable for the non-engineering students. Moreover, a few B-Schools have shifted the weightage from CAT to class 10 and 12 marks to encourage the non-engineering students.

Table 3 State-wise number of factories vis-à-vis the number of B-Schools (2012–2013)

State/union territory	Number of factories (2012–2013)	Number of B-Schools (2012–2013)
Andaman and Nicobar Island	24	0
Andhra Pradesh	15,358	417
Arunachal Pradesh	0	0
Assam	3303	8
Bihar	3345	21
Chandigarh	297	2
Chhattisgarh	2441	29
Dadra and Nagar Haveli	1413	1
Daman and Diu	1885	0
Delhi	3958	39
Goa	597	1
Gujarat	22,587	133
Haryana	6163	175
Himachal Pradesh	2654	15
Jammu and Kashmir	955	12
Jharkhand	2695	14
Karnataka	11,753	238
Kerala	7129	77
Lakshadweep	0	0
Madhya Pradesh	4206	228
Maharashtra	28,949	459
Manipur	128	0
Meghalaya	116	1
Nagaland	106	0
Odisha	2854	96
Puducherry	911	8
Punjab	12,427	142
Rajasthan	8782	145
Sikkim	65	1
Tamil Nadu	36,869	413
Telangana	13,656	520
Tripura	534	0
Uttar Pradesh	14,440	563
Uttarakhand	2911	60
West Bengal	8607	64

Source: (1) Ministry of Statistics and Program Implementation (2019), Retrieved on 4th March 2018 from <https://data.gov.in/resources/annual-survey-industries-factory-sector-state-level-upto-year-2011-12>

(2) AICTE Website (2019), retrieved from <http://www.facilities.aicte-india.org/dashboard/pages/dashboarداicte.php>

Table 4 Coefficient of correlation between the number of B-Schools and the number of factories (2012–2013)

	Number of factories	Number of B-Schools
Correlations		
Number of factories		
Pearson correlation	1	.783**
Sig. (2-tailed)		.000
<i>N</i>	35	35
Number of B-Schools		
Pearson correlation	.783**	1
Sig. (2-tailed)	.000	
<i>N</i>	35	35

**Correlation is significant at the 0.01 level (2-tailed)

Courses and specializations offered by the management institutions in India

The course offered by the B-Schools at undergraduate level is commonly known as Bachelor of Business Administration (BBA) which is a three-year course offered to the students having 10+2 degree. The courses provided at postgraduate level are known by various names like Master of Business Administration (MBA), Post Graduate Diploma in Business Management (PGDBM), Post Graduate Diploma in Management (PGDM), Post Graduate Program in Management (PGPM), Executive Post Graduate Program in Management (EPGPM), Post Graduate Program in Enterprise Management (PGPEM) and the like. The postgraduate courses are of two-year duration, and the admission to these courses is made based on the academic scores as well as performance in the entrance test. The students with minimum 50% marks in graduation need to score well in the test like CAT, GMAT, MAT, XAT, etc., to get admission in these courses.

The course offered at doctoral level by the universities is termed as PhD program, whereas the course offered by the autonomous B-Schools at doctoral level is known as Fellow Program in Management. Apart from these, the B-Schools offer a number of short-term management programs.

The courses offer specializations in various fields like human resource management, marketing management, information technology management, financial management, event management, infrastructure management, entrepreneurship development and many more. There are many B-Schools which provide dual specializations as well.

The current and emergent competitive scenario of the B-Schools in India

The business and management education which plays a pivotal role in social upliftment and triggering the entrepreneurial spirit in society faces several challenges in India in terms of quality of education (Balaji 2013:1257). Globalization increases demand for high-quality education (Subrahmanyam and Shekhar 2014:21), but the

Table 5 State-wise number of factories vis-à-vis the number of B-Schools (2017–2018)

State/union territory	Number of factories (2017–2018)	Number of B-Schools (2017–2018)
Andaman and Nicobar Island	18	1
Andhra Pradesh	16,246	362
Arunachal Pradesh	125	0
Assam	4154	333
Bihar	3531	26
Chandigarh	248	3
Chhattisgarh	3109	22
Dadra and Nagar Haveli	1369	1
Daman and Diu	1799	0
Delhi	3507	41
Goa	647	01
Gujarat	25,966	92
Haryana	8503	128
Himachal Pradesh	2721	09
Jammu and Kashmir	1016	16
Jharkhand	2858	15
Karnataka	13,344	218
Kerala	7697	84
Lakshadweep	0	0
Madhya Pradesh	4494	224
Maharashtra	27,010	379
Manipur	188	0
Meghalaya	102	01
Nagaland	192	01
Odisha	3051	82
Puducherry	665	08
Punjab	12,489	118
Rajasthan	9026	82
Sikkim	71	1
Tamil Nadu	37,220	350
Telangana	15,028	383
Tripura	585	1
Uttar Pradesh	15,294	502
Uttarakhand	2987	49
West Bengal	9587	55

Source: (1) Ministry of Statistics and Program Implementation (2019), retrieved from <https://data.gov.in/resources/annual-survey-industries-factory-sector-state-level-up-to-year-2011-12>

(2) AICTE Website (2019), retrieved from <http://www.facilities.aicte-india.org/dashboard/pages/dashboarداicte.php>

Table 6 Coefficient of correlation between the number of B-Schools and the number of factories (2017–2018)

	Number of factories	Number of B-Schools
Correlations		
Number of factories		
Pearson correlation	1	.723**
Sig. (2-tailed)		.000
<i>N</i>	35	35
Number of B-Schools		
Pearson correlation	.723**	1
Sig. (2-tailed)	.000	
<i>N</i>	35	35

**Correlation is significant at the 0.01 level (2-tailed)

Table 7 Number of students enrolled in engineering and management courses offered by AICTE-approved institutions. *Source:* AICTE Approval Process Handbook 2018–2019, p.17 retrieved from <https://www.aicte-india.org/sites/default/files/APH%202018-19.pdf>

Year	Engineering and technology	Management
2008–2009	841,018	149,555
2009–2010	1,071,896	179,561
2010–2011	1,314,594	277,811
2011–2012	1,485,894	352,571
2012–2013	1,761,976	385,008
2013–2014	1,804,353	364,816
2014–2015	1,901,501	365,352
2015–2016	1,844,642	350,161
2016–2017	1,752,296	329,273
2017–2018	1,662,488	393,055

Table 8 Coefficient of correlation between the number of management students and the number of engineering graduates

	Engineering	Management
Correlations		
Engineering		
Pearson correlation	1	.923**
Sig. (2-tailed)		.000
<i>N</i>	10	10
Management		
Pearson Correlation	.923**	1
Sig. (2-tailed)	.000	
<i>N</i>	10	10

**Correlation is significant at the 0.01 level (2-tailed)

progress of business education in the context of globalization is very much limited in India as the B-Schools’ professors emphasize more on theoretical knowledge and less on practical know-how which the organization needs the most (Ghemawat

2008). India although has a well-developed setup in terms of range of educational programs lacks in terms of international quality standards. India also has the world's largest stock of scientists, engineers and management graduates, but has been unable to derive full economic benefit from this talent base because of the mismatch between industry needs and university output as it is evident from the fact that only 10% of total management graduates in India manage to get hired by corporates (Shukla 2013:19).

Kaul (2011:535) and Shweta and Kumar (2011:5) also mentioned that management education in India is facing a unique crisis of relevance in the contemporary scenario. Balaji (2013:1257) supported this and said that there is a gap between theory and practice in management education in India. Moreover, employers are noticing that freshly minted MBAs, even those from the best B-Schools, lack skills that the organization needs, because the people who taught their new hires had spent little time in organizations as managers or consultants. B-Schools' professors know more about academic publishing than actual business problems (Bennis and O'Toole 2005:102). In short, the Indian management education system, imported from the USA in the early 1960s, is often heard to be not suited to Indian conditions (Philip 1992:20; Kaul 2011:535) and is in a state of crisis (Bhattacharya 2010:14). Most of the Indian business schools may claim that their schools remain focused on practice, but they nevertheless hire and promote research-oriented professors (Shiroor 2010:140). Management education in India merely teaches concepts with case studies. It does not teach how to manage uncertainty and complexity in business. It does not focus on the challenges arising out of the rapid growing technology (Balaji 2013:1260). The higher education institutions (HEIs) in India which are managed by private sector emphasize more on commercial aspects rather than on the creation of knowledge which leads to further deterioration in quality of education (Gupta 2012:17). Moreover, MBA programs face intense criticism for failing to impart useful skills, failing to prepare leaders and failing to instill norms of ethical behavior. B-Schools are also criticized for adopting an inappropriate and self-defeating model of academic excellence. Another major weakness is the lack of a corporate governance system in B-Schools in India (Kaul 2011:550).

According to Kiran and Gupta (2014), there are four pillars of management education, viz. industry experience, consultancy experience, research experience and teaching experience. The findings of the study by these authors also state that the quality of management education in India is low and the factors responsible for this are lack of highly qualified and experienced faculty, lack of quality research, global competition, commercialization, lack of exposure to real business issues, improper curriculum design, development of relevant material and inadequate infrastructure. Mohanty adds that though the management education sector in India has grown exponentially, skill and excellence are still severely lacking. This is due to a plethora of overlapping regulatory agencies which stifles growth and development of educational institutions and their ability to flourish in a competitive market environment. Curriculum is still very much grounded in theory and does not encourage analytical thinking (Mohanty 2016:01). Indian management institutions are following syllabus designed for western countries which are of no help for the development of Indian business. Indian management institutions give very less importance to research

and development and hence unable to develop relevant curricula (Saha 2012:35). Since 1991, the number of MBA program offered has registered 800 percent growth, BBA 19 percent but PhD in management a meager 4 percent in the country; (Kaul 2011:534) this shows the growth of management research which is unfortunately very low.

In addition, most of the college owners complain of not being able to have enough admission in spite of having invested in college infrastructure and start-up cost. And those that are able to fill seat capacity admit anyone who applies for admission, thus resulting in poor input, leading to poor placements. Thus, most of the B-Schools are not able to place more than 50% of students (Patil 2012–2013). Moreover, the business schools in India lack strategic focus, with everyone trying to teach everything—the “everything to everybody model” leaves little time for creative thinking. It has also led to faculty shortage and has resulted in low levels of research output and competence ensuring mediocrity in the system. According to the author, the B-Schools have become teaching shops (Bhattacharya 2010:14).

According to Reddy (1992:05), though management education does add some value to the management graduates, there is considerable scope for improvement. India is going through high economic growth trajectory and will become economic super power next to the USA and China in late twenty-first century. The purpose of management education should be, therefore, to develop globally competitive professional managers who could contribute to the building up of a strong national industrial and business base to ensure these dynamics (Shetty 2014:143). No doubt, India has the third largest education system in the world (Edwin 2015:100) annually producing more than five times the engineering graduates produced in the USA. McKinsey, however, estimates that only 25% of India’s engineering graduates are globally competitive and most often 70% of the B-School graduates are from engineering background. In addition, India ranks 119 among 149 countries in the citation index and citation is one of the four parameters to measure the quality of higher education as determined and used by Times Higher Education ranking survey. Moreover, there has not been a single major invention from India for over 50 years (Shiroor 2010:25).

The B-Schools in India need to revitalize management education in the country in order to meet the expectations of all the key stakeholders such as students, faculty, society, industry, government and global community at large (Shweta and Kumar 2011:12) because the people in India consider business education as other academic disciplines like physics, chemistry and zoology, etc., when in fact, business is a profession and business schools are professional schools and should be treated in that way. Hence, skillful management of the intellectual capital in Indian B-Schools could be a driver for growth and is imperative for Indian economy (Padmini 2012:90). MBA curriculum should be redesigned very frequently because the business world is changing every single night and hence its requirements. Better communication and interpersonal skills should be incorporated in curriculum. Moreover, MBA curriculum should be made more oriented toward competition in the international market place (Windsor and Tuggle 1982:74). There is a need to enhance research funding and training opportunities for faculties, and cross-country knowledge exchange should be increased. Interaction between regulatory bodies and

the institutions should also be promoted (Mohanty 2016:02). Balachandran in this regard believes that cutting-edge curriculum, global and Indian faculty and blended learning technologies can create leaders of tomorrow (Balachandran 2017:03). Kumar and Dash (2011:24) also opined that the ultimate challenge of management education approaches in India is to become more practical oriented and industry focused, reason being theory-based developments and teachings are worthless, due to the fact that they will be of little use in concrete situations when a management issue arises. The authors said management education needs to be holistic, targeted and customized with the aim to remove the gap that exists between industry requirements and academic curriculum focusing on attitude, corporate awareness, grooming and developing managerial skills. Moreover, if management education in India really wants to extend its image on international scenario, it should improve its quality of education because in management education, quality has become the necessity (Kumar and Dash 2011:25) and circumstances require total quality management (TQM). There is also a need to make management education value based rather than money based (John and Panchanatham 2011:71). MacNamara et al. (1990) also stressed on action learning in management education as management institutes are often criticized for focusing more on theory and on quantitative finding. It is often stated that management education should be experienced-based, active, problem solving oriented and modified by feedback and action learning serves the purpose. Kaul (2011:537) also demanded this action learning approach for management education in India.

Due to globalization and advancement in technology, the role played by management education in enhancing country's knowledge base has been placed under a sharper focus; thus, it has become imperative to look at management education from the market-oriented perspective and take a strategic view to better align business education with the requirement of the global market. Studies have found that there is a widening gap between the level of skills and competency which corporations expect and the skills developed by business schools. Hence, the need for modern business schools to transform themselves operates as centers for knowledge and skill creation, adaptation and dissemination. Management education should not just equip a student with technical skills and expertise but also develop in them the right attitude, e.g., the attitude of learning, action-oriented, professionalism, team work, entrepreneurial attitude and public interest at heart at all times. Even the student community in India not only wants education in modern emerging fields but wants education which is of quality. Thus, to make India an intellectual capital of the world, we have to create a dynamic environment which can encourage superior quality management (Chaudhary 2011:165).

Quality of management education in India is multi-dimensional. Shahaida et al. (2009:54) have divided these dimensions into three categories, viz. input, process and output. Input dimension includes top management philosophy, competitive structure, external regulation, quality of students, quality of faculty, resources and vision implementation. Process dimension includes teaching–learning process, process of faculty development, industry interface process, student participation in governance process, etc., and output dimension includes academic outputs, projects and placements, brand image, stakeholder's satisfaction, etc. Thus, to ensure quality in

management education, all these dimensions have to be covered and the contribution of educational system, institutions and faculties is very much important in this regard. According to the model developed by Oza and Parab, the amounts of efforts needed on the part of educational institutions should be double that needed to be made by educational system as a whole, whereas the efforts needed on the part of faculties should be three times more than those of the educational system since they are the ones who ultimately provide the teaching services (Oza and Parab 2012:70).

Laha (2002:105) has identified some determinants of measuring quality of management education. They are academic environment, intellectual capital, physical infrastructure, industry interface, placements, stakeholder's satisfaction and perception and innovation. Gupta et al. (2003:9) have also proposed five key yardsticks to measure quality of business education in India. They are quality of students, pedagogy, placements, faculty development and infrastructure. Rao (2009) has proposed a model for achieving continuous quality enhancement and global standards for B-Schools. The parameters of the proposed model are academic curriculum, internal branding, leadership and institutional governance, forging international alliances and alignments, global admissions and internships and benchmarking for global accreditation.

In India to ensure quality in management education, affiliating bodies have been formed by the government. Apart from University Grants Commission (UGC), there is All India Council for Technical Education (AICTE) specifically for management and engineering education. In this context, a number of committees were also formed to review the scenario of management education in the country like The Nanda Committee which was the first committee that reviewed the development of management education in India. The Nanda Committee suggested a series of measures in 1981 for strengthening management education in India, viz.: necessity to develop expertise in international management, adequate funding for research, Indian Institute of Managements should act as mother institutes and foster growth of other management institutions, etc., were the major recommendations of the committee. Government of India appointed a second review committee under the Chairmanship of Kurien in 1991; the salient recommendations were teaching, research and consultancy needs to be better emphasized and greater emphasis on the development of relevant teaching materials and research (Arya and Chadha 2005; Pithadia 2006:1–2).

The Ishwar Dayal Committee in its report in 2001 stated that most of the institutions that were set up during the 1990s did not follow conditions prescribed by AICTE in respect of faculty strength, library, computer facilities and the like. They did not promote research, development of faculty and/or teaching material. AICTE was unable to develop an adequate mechanism for enforcing quality standards in management education, and subsequent to this, a committee was constituted by AICTE to review management education in India. AICTE appointed The Management Education Review Committee in 2003 to come up with a policy and action plan for the development of management education in India. The major recommendations made by the committee were admission of students only through recognized tests organized in all India basis and to increase focus on under managed sectors such as cooperatives, forestry, urban management, infrastructure and rural

development. The committee also found that there was a severe shortage of faculty in the entire technical education system (Arya and Chadha 2005).

Thus, the problems highlighted in the existing literature as well as different committee recommendations relate to the overall quality of management education provided by different types of B-Schools in India. It does not require to be proven that the products of most of the management institutions in India are not employable in companies; most of them work for marginal salaries and at the lowest level for which no formal management education is required. As a result of which, one can find that the respect and the value for MBA degrees are going down day by day. Economic development is only possible when we have a well-trained and advanced human resource that can meet the world standards and compete with any economy. Undoubtedly, the IIMs and few other B-Schools in India are functioning in an appreciating manner, but these B-Schools are producing only a fraction of the management graduates produced annually in India because of limited number of seats and tough entrance test. Shukla (2013:20) based on all the reports and previous studies opined that B-Schools should ensure quality faculty, promote research culture, faculty development program, develop reading materials relevant to Indian context, develop more interaction with industry, evolve a proper system of accreditation and rating, create an independent institutional mechanism, enhance corporate governance of B-Schools, need to broaden the specializations, create a global mindset and internationalize management education.

Management education in India: the key challenges

The literature discussed above points to a number of issues and challenges that are being faced by the B-Schools in India. The key issues and challenges of management education in India are discussed below in brief:

- a. *Irrelevant curricula* Indian management education being the near replica of US management education does not have much of Indian specific contents or case studies which could help in bringing the congruence and rationality between what is taught and what is practiced (Kaul 2011:542; Edwin 2015:103). The criticism often heard that management education in India is not suited to Indian conditions (Philip 1992:20).
- b. *Less institute–industry interface* Industry and academia interfacing with each other is very much crucial for the effective curriculum, teaching and learning process in management institutions across the country. Indian management education has been suffering from insufficient industry–institute interface, and as a result, B-Schools' curriculum is more theory based rather than practice. Whatever is taught in the B-Schools becomes irrelevant in industry. Except a few, B-Schools in India rarely update their curricula according to industry needs. Many experts in the field say that practical knowledge should be imbibed and always be combined with theoretical teaching so that exposure to business environment and practical aspects of the learning take place and will hold good for the learners as well as the economy of the country (Edwin 2015:104).

- c. *Inadequate faculty* As there is high competition in the market, B-Schools in India need to spend a lot in order to survive. They need to spend a huge amount for building infrastructure so that they can attract students as well as recruiters. In doing so, most of the B-Schools always compromise in recruiting quality faculty. Moreover, because of geographical obstacles, B-Schools in many places of India face the problem of attracting quality faculty even after providing all necessary benefits and perquisites. Even there is shortage of well-qualified faculties which forces the management to appoint fresh graduates as faculty (Sanchita and Goel 2012:47–48).
- d. *Low-quality students* Most of the B-Schools in India complain of not being able to fulfill their intake (Patil 2012–2013). Most of the private B-Schools in order to make up their financial requirement, admit many poor quality students which in turn hamper to realize the objectives of the schools in true sense. Kaul (2011:536) also mentioned that quality in management education in India has deteriorated from both ends, institutes imparting education and student gaining education.
- e. *Poor placement* Management education is a professional course of study, and as a consequence, it is by default a demand of the students and parents to provide placement to the students at the end of the course. But due to the above-mentioned problems like irrelevant curricula, inadequate faculty and low-quality students, it becomes a challenge for most of the B-Schools to provide placement which in turn worsens the performance of the B-Schools. Indian industry survey reports that only 15% of management graduates are employable (Balaji 2013:1259).
- f. *Insufficient R and D grants* Teaching and research are very closely related to each other. Research generates knowledge and teaching disseminates knowledge. Research and development is very much necessary for management education as it is based on the study and analysis of the happenings in the market nationally and internationally, but most of the B-Schools in India face problems in conducting research due to lack of research grants. Moreover, faculty members in most of the Indian B-Schools do not have the culture to practice and pursue research (Edwin 2015:103).

Summary of the study

It is observed from the analysis of available literature that although management education in India has advanced significantly in terms of number of institutions, the quality aspect of education has not received due attention. There are many key issues and challenges in front of the B-Schools to survive and excel. No doubt, IIMs, IITs, few university departments and a few private management institutions are performing in a competitive way and producing quality managers, but the other B-Schools, in fact, the majority of the B-Schools, are unable to perform in an appreciating manner. Indian management education is a near replica of US business education particularly in the area of pedagogy, curricula, industry interface and academic research model, but due to the differences in work culture, Indian management institutes need to struggle hard to introduce several adaptations. Test is menace, and India has an examination system instead of education system which limits the overall

development of students (Maheshwari 2016:67). Bennis and O’Toole (2005:11) stated that even the best B-Schools including IIMs, excelling in many of the ranking parameters, today have a shortage of quality faculty and are lacking in research. Thus, if business schools are to regain their relevance, they must come to grips with the reality that business management is not a traditional science discipline but a profession, and it must deal with what a professional education requires. Moreover, the entire MBA curriculum must be infused with multidisciplinary, practical and ethical equations and analysis reflecting the complex challenge that the business leaders face.

B-School being a professional school is not a place where simply education is provided rather it is a place where world leaders are made and promoted with long-term vision of nation building with integrity and honesty. It has been stated that if business schools have to survive they have to focus on research to solve problems of enduring importance and to build such curricula that can actually prepare students to be effective in practicing the profession (Kaul 2011:536). Moreover, management education should be restructured and redefined to meet the changing scenario. There has to be a combination of knowledge, inspiration and ethical strength to every individual, which would enable students to lead a right professional and cultural life in the society. It is said that holistic education is the only solution for all types of problems under all situations (Raju et al. 2015:07). Trehan and Khushwaha (2012:252–253) recommended to introduce team teaching for more sharing of knowledge and knowledge-focused activities in the institution. The authors also recommended the implementation of knowledge management in the B-Schools for holistic education and stated that the approaches of knowledge management in B-Schools should be the integration of human resources, academic processes and the technological advancements involved in designing, capturing and implementing intellectual capital of the institution.

Thus, the future of management education in India seems to be very much competitive and challenging, and hence, the successful B-Schools of the future would be the one which will constantly adopt the changes based on the understanding of the requirements of the changing scenario. The B-Schools, thereby, would require to undertake research on regular basis to remain practice oriented and emphasize more on knowledge-focused activities in the organization and be proactive in their approach to efficiently deal with every uncertainties expected to come in their way.

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