

Business schools through the years

The MBA programme has gone through a substantial evolution ever since its arrival in the hallowed halls of the Ivy League schools in the US in the early part of the century

In India, we didn't have the 'management' degree qualification until the 1950s and, even then, it was more of a science than an art. The last two decades have perhaps seen the maximum changes, developments and progress to the discipline. India has close to 3,200 approved institutes offering basic management education. This is a whopping 60 per cent increase in the number of B-Schools that were in existence in the late 1990s. The types of programmes offered have also changed – we don't have the plain vanilla versions of the two-year MBA and the EMBA anymore. The MBA programme has lent itself wonderfully to flexibility and change and it is today possible to almost entirely customise the programme to suit the needs of any professional. Much unlike other higher education qualifications which are viewed as logical progressions of the undergraduate, the MBA is unique in the sense that one can pursue it at any point of time in life and it is also generally viewed as the logical discipline of study to undertake in order to either make a career shift into a completely different industry or to move ahead in the management lines of the same industry.

Till the early 1990s, the national GDP was hardly a shade above \$100 billion when we ushered in the economic liberalisation in 1991. Given the limited growth and, thereby, employment opportunities, management education was not a mainstream qualification. Graduate professional courses like engineering and medicine were considered mainstream. When the economy started growing at a healthier pace (7-8 per cent) the new millennium saw a spurt of interest in management education. Schools like Great Lakes were primarily designed for the return to campus student who had invested a couple of years or so in the industry, gained basic skills and now wanted a rounding and levitating of skills before going into the next orbit. From the classroom point of view, on an average, most full time programmes for experienced professionals have a male-female ratio of 3:1, which is a massive improvement from what used to be a completely male-dominated class.

This again is somewhat improved to 50 per cent in management programmes that admit freshers as well. Another notable point is that since admissions to the programme are based on competitive exams, in general, those students



BALA V.
BALACHANDRAN

with prior engineering backgrounds are the ones with the top scores, maybe because their superior analytical abilities lend themselves well to tests such as GMAT/CAT, etc.

Much of the degree of flexibility that is offered by management education and the high degree of customisation is due to the ability to blend science and art. As technology and globalisation have revolutionised trade and commerce, management education too has had to adapt and change its components to save itself from redundancy. Policy changes, corporate social responsibility, cyber regulations, new businesses, services and products have all together governed the way that management education is offered over the years. Core functional specialisations like finance, HR, marketing, operations, etc, were thought to be enough, but with the boom in entrepreneurship (due to favourable economic policies), family managed businesses (of which there are several in our country), the importance of strategy, longevity and overall vision of the company among others have resulted in the need for including specific functional specialisations also in these areas.

So also, the need for integrating vertical or industry-based specialisations like BFSI, manufacturing, energy, IT or even business analytics, etc, have also become the need of the hour. Business needs are forcing companies worldwide to continuously improve the quality of their manpower and equip them with state-of-the-art skillsets, plan leadership and succession, take on global cultural integrations, etc. Thus, in this case too, the market has spoken and the programme has had to don multiple avatars.

Now, the interesting thing about a B-School is that it has two types of customers and both of them are at different ends of a continuum, so to speak. The students who join the programme want education, skillsets, an academic qualification and a chance to kick-start or change gears as far as their careers are concerned. The other set of customers are the corporate clients who typically hire the MBA graduates. While these customers look primarily for employability, they also want the brightest talent, right personalities, attitudes, values, beliefs that will be good fits into their organisation. In addition to sound fundamental knowledge

The author is
J.L. Kellogg
distinguished
professor (emeritus
in service),
accounting &
information
management,
Northwestern
University, Illinois,
and also founder,
dean & chairman,
Great Lakes Institute
of Management

and skills evident from a good academic track record, there is an evidently increasing focus on soft skills in terms of leadership qualities, innovation and problem solving skills, people management skills including team building, communication skills, etc. Satisfying both these requirements is certainly not easy and that is where the new breed of B-Schools which are sensitive to the need of both types of customers are able to score one over older schools who remain traditionally wired.

Placement process, therefore, has become an important part of B-Schools, as it also acts as the liaison between the talent and the employer. Whether a school is a good B-School or not is also assessed largely by its ability to place its graduating students in the choicest of roles with the best companies. What must be however remembered is that a school is primarily a place of learning and hence the highest importance must be given to the curricular and co-curricular educational experience that it provides to its students. The best professors, mentors, the latest course materials, industry-interfaces, global immersion programmes, ethical and moral internalisation, care-share activities, etc, need to be the critical variables of any B-School.

Over the years, the campus placement scenario has also changed. Gone are the days when companies like Thermax and Unilever were the most sought after ones with the plum jobs. Students no longer choose from what they are offered. They play a role in selecting, courting and bringing preferred recruiters to the campus. It is indeed a work of art. The placement trends for the last few years include – hiring by consulting organisations, which are the first to tap the best talent from top B-Schools like Great Lakes and offer opportunities in the areas of business consulting, as also financial & technology consulting. Examples of these organisations include ZS, Deloitte, TCS, CBC, Universal Consulting, KPMG, PwC, Syncore Consulting, etc.

Core domains of sale & marketing and finance are all-weather verticals with good demand. Corporates like Coke, Airtel, Lava Mobile, Tata Communications in Sales & Marketing and HSBC, ICICI, HDFC, Axis, etc, and other NBFCs are fairly regular on the campus hiring circuits. New age e-commerce corporates – such as Amazon, Flipkart, Snapdeal, Shopclues, Jabong, etc – are big draws as well.

Besides the flavour of the season, business analytics is where there's a lot of action going on. Specialist analytics corporates like

Blueocean, Latentview, Tiger Analytics are also popular while others like Dell, Ford, Infosys, etc, have been recruiting for their in-house analytics teams.

Another common question is: since the B-School has provided the education that allows one to appreciate the fine nuances of business, why not go the entrepreneurial route? Certainly, and it is an equally important variable – many students join B-Schools to pursue their entrepreneurial ambitions. They don't want to just manage – they want to lead. Doing business is easy and if you look in the right place, finding capital is not that hard either. Cultural restraints have also broken down and people are more than happy to do the new and traverse the untraveled. The advent of technology has helped in making the entire world a marketplace for goods and services and all it takes is one good idea and the chips will all fall into place. For many professionals who have already spent a lot of time in the industry a B-School degree is also as much about networking, finding their

mojo and testing their entrepreneurial ideas as it is about developing their skillsets. The mid-career MBA offers them the perfect way to 'uberise' themselves or upgrade and transform themselves and move out of a rut – it is not about the money, but more about the modernisation of their existing skillsets and acclimatising themselves with the business, people and policies of the present.

The lure of the West has always been rather strong and it is in this case as well. There were only a handful of good B-Schools in India, and so, many (or at least those with the money) decided in favour of the American B-Schools as their destination of choice since management thought and execution was certainly far more progressive there than here. However, now, over the last two decades, the quality of education has certainly come under the scanner and there are a reasonable number of good B-Schools in India itself, which are also good value propositions from the money point of view. That said, the scions of the business families in India still do prefer to go abroad, whereas good quality B-School education has now become more accessible to the common man. A good B-School education does come at a premium, even in India, but the flexible and favourable terms of education loans, coupled with the prospect of a high-paying job at graduation, make it an investment worth making. ♦

For many professionals who have already spent a lot of time in the industry a B-School degree is also as much about networking, finding their mojo and testing their entrepreneurial ideas as it is about developing their skillsets