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AVENUES



B-SCHOOLS IN INDIA HOW TO STAY RELEVANT?

Imagine you have a wonder kid! To support their dreams, you spend every saving to get their favourite degree but after graduation they find it tough to get a job? Yes, that is exactly what is happening today. Amidst thousands of management students churned out by the 5,500+ B-schools in India, only 7 per cent are employable, says a study conducted by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) in 2016.

While many business schools that should have been hotbeds of innovation are busy teaching and researching 20th century management principles and, in effect, are leading the parade towards yesterday. So what is the problem with B-schools today? How can these education institutes make themselves relevant for a better tomorrow?

We delved into the issue and spoke to some of the premier B-schools in India to find the right solution. One can't deny that B-schools are yet to see the wisdom in dovetailing their curriculum to the varying industry requirements and new challenges faced by the companies

today. B-schools should shift their focus from theoretical knowledge to skill based education with a more practical and dynamic approach to conquer this. Also, we see there is a continuous gap between what the current job markets require in its employees and what the management graduates are able to provide. This huge gap is the lack of regularity in updating the syllabus and the forces that are shaping the world need to be brought into the classrooms.

Prof. Madhu Veeraraghavan, the Director and T.A. Pai Chair Professor of Finance, T.A. Pai Management Institute, Manipal is of the same opinion. He says, *"Management Education can only stay relevant if the curriculum changes with the changing times, and B-Schools should continuously innovate the offerings and the pedagogy, obtain significant inputs from the industry and look at expanded internships. The offerings must be attractive to the aspirants and must provide life-long learning opportunities."*

Today, the need of the hour is a radical

rethink of the entire business school system. We need to build business schools that are innovative, efficient, progressive, practical and intellectually rigorous as their enrolment fee is. Institutes today also compromise on the quality of the faculty due to the unavailability of high-end faculty and the cost of acquiring such competent members. But the B-schools should emphasize on having excellent faculty members with different skill sets and provide intellectual inputs in the form of research, publications, usage of innovative pedagogical tools, conducting management development programmes, which in turn can ensure the over-all quality of their graduates.

Artificial Intelligence (AI) and Machine Learning (ML) have become movers and shakers of the job industry today. Business applications for AI are growing and B-schools must ensure that graduates meet the future needs of

industry. **Prof. Dr. T N Swaminathan, Director of Branding, Public & Alumni Relations, Great Lakes Institute of Management, Chennai, spoke of**

its importance saying, "While most MBA courses are generalized offerings designed to provide students with core proficiencies in business management, now management education needs to be continuous education that prepares students to work in a complex VUCA world by leveraging convergence of technologies such as AIMLA (Artificial Intelligence, Machine Learning & Advanced Analytics)." Around two

lakh jobs are expected to come up in this sector and if our business schools cannot combat these challenges, we may end up in a situation dreaded by our former President Pranab Mukherjee long ago. He said, "If this situation is not reversed quickly, we will land ourselves in a scenario of having a large number of people with degrees but not enough manpower with proficiency to meet the emerging requirement of our industrial and other sectors."

A recent survey says that the campus recruitments too have gone down in the past few years. The data provided by All India Council for Technical Education (AICTE) confirms that more than half of MBA graduates could not get hired during campus placements in the year 2016-17. The data shows just 47% of MBAs were placed, 4% less than the previous year, and at a five-year low. This shows that being good at cracking interviews may no longer be enough for students, and they desperately need additional guidance and knowledge before they are accepted into prestigious management roles.

The above data also suggests that more than 220 B-schools in top cities in India have shut down as a direct result of a 45% decrease in campus recruitment and around 120 more B-schools are slated to meet the same fate in the coming months. According to the AIMA Journal of Management and Research, most of these institutions have mushroomed across the country operating without proper academic standards resulting in management graduates being ill prepared to take on managerial positions in organisations. The top B-schools in

the country, which provide good quality education and placement opportunity, do not have enough seats for all the meritorious students. Thus, even good candidates sometimes who score well join in tier -2 or tier-3 colleges, which are mostly new. If the new institutes do not follow globally benchmarked practices and stay relevant in its practices, they may not stay longer in the education market at all. With rapid technological developments affecting both the economy and education, change will have to come quickly if business education wants to remain relevant.

The government of India is also taking initiatives to allow the education system to function freely, especially to reap the demographic dividend of its large youth population. Stressing on the role of Government and B-school in improving the management education in India, **B S Ramaprasad IAS (Retd.)**,

Chief Executive, Gokula Education Foundation (E & GS) of Ramaiah Group of Institutions says, "Education is the backbone of economic empowerment of a country. Recognizing this contribution and the gaps that persist, our government has initiated programmes to develop our youth. Management programs should now enable harnessing these opportunities created, through synthesis and collaboration with stakeholders."

In a world where we are constantly adapting to changes in the way we live, work and relate to one another – in its scale, scope and complexity, the B-schools should transform like never before. Back in 1991, the economic liberalisation led to an increased demand for MBAs and only if B-Schools stay relevant, the sought-after companies will continue to pay the top dollar to the next-gen graduates like before. ■

How Management Education Needs to Stay Relevant

Supply side changes in the form of technology and innovation are disrupting the markets at an increasingly fast pace due to competitive intensity. And if that is not enough, internet, social media and mobile penetration are leading the quest for transformation from the demand side.

Let's look at some specific examples of how the market is being transformed:

- With the advent of 4G speeds, large screen mobile phones and price disruption, access to internet and consumption of data has been truly transformed. Here are some services that have qualitatively changed
 - ▶ E-commerce Mobile App for banking, Air and Rail ticketing, Stock Market transaction, Movie ticketing, Insurance policies
 - ▶ Video call and Mobile WhatsApp for

business and social networking

- ▶ Live streaming of TV and net content
- Digital advertising spends growing at 30% per annum and faster than other media account for 17% of total media spends
- With power being transferred to the customer in the internet space, brands have realised that it is both an opportunity and challenge and like it or not they have to deal with it

Technology is enabling

- larger reach at lower cost
- Customer self service
- Better profiling of customers
- Aggregation of services thru online platforms

Marketing is at once aligning its channel models to take advantage of technology and also placing new customer demand.