

Higher Education and Skill Building: Insights into the Role of Management Education in India

Dr. Vishal Soodan¹, Dr. Akhilesh Chandra Pandey²

¹Assistant Professor, Mittal School of Business, Lovely Professional University, Phagwara-144411 (Punjab),
India

²Assistant Professor, Department of Commerce and Business Administration, University of Allahabad-
211002 (Uttar Pradesh), India.

Abstract:

In the current scenario, higher education has transformed into a source of generating various lifelong abilities to survive in the modern-day world. This study is an attempt to highlight the role played by higher education in developing skills that has a direct impact on the functioning of any business, society and country. The study highlights the context of management education in India that can be seen as a force to multiply the basic skills into innovative entrepreneurship and as a knowledge bank to have professionals and successful business persons in its reserve.

Key Words: Education, Management, Policy, Professional Education

Introduction

The result of an investment is its potential to serve the community it serves. In case of educational system, an investment is the number of students enrolled in a particular institution which serve as a potential prospect to serve the society in which they live. Therefore, the importance of higher education increases as it generates the future of any society. This importance increases manifold in case of management education as it imparts the vital skills and plays a very important role in today's business world. This need has led to the transformation of business schools in developing countries from being an institute of teaching to impart relevant and evolving management education to students as well as to professionals which echo the changes in society and ultimately in the country. Also, business schools are in close contact with industry for skill development and to provide a practical experience and real-time exposure to the budding managers. Business schools work to build confidence, image and a sense of entrepreneurship as they prepare students to meet future challenges. With the advancement of technology, access to information is easy amongst people than before and it is expected that demand will increase further.

Review of Literature

There is much cooperation from Indian researchers and scholars by directly or indirectly contributing to higher education of the economy. Shafi (2003) devised a comparative study highlighting the advantages and effects of the privatization of education, the study focused on higher education and attending to the problems of private programs of higher education. Negi & Bhalla (1999) addressed their study to give a definition of quality in higher education and suggested measures to ensure that education provided at tertiary institutions is effective and high quality. Powar (2000) focused on the influence of IT on higher education, the role played by the learning systems like distance education, maintenance of quality in higher education and in socio-economic and human resource development. Powar (1998) presented the role of academics and further

elaborated the role of government funding in higher education. Rowntree (1981) gave concise and clear cut definitions of the broad vocabulary of education in context of various countries. Kells (1992) outlined the development and evolution of a variety of regulatory systems for higher education in America and Europe with a focus on self-regulatory practices. Rajput (2004) outlined the overview of informative policies and practices, & different projects which are being executed in India. Hence, a view of literature demonstrates that scholars have emphasised the role of higher education in overall development of a country. The study therefore, focuses on the role of management education as a driver of entrepreneurship in Indian context and highlights the required skills for career development in India.

Management Education in India

There is a need for a transformational change in context of changing scenario (Adhikary & Pandey,2012). India introduced management education in 1961 with the establishment of first IIM in Kolkata. Indian management education is based on American management education system and has drawn its characteristics since its introduction in the country. The dynamics of higher education scenario has a great impact on management education in India with a transformation in the management education from time to time has taken place. Management education is imparted in around 4400 management schools in India with a focus to prepare the learners about the dynamic global business environment and increasing competition. The management education in India is rapidly changing the relationship between management education and business in India backed by its capabilities to adapt to the changes of the business world. As described in recent studies, management and leadership should focus on offering high levels of service quality to increase the value of their brands in education (Soni & Govender,2018).

Management Education and Skills Development

In order to have genuine growth and sustainable development in the country through education, it is required that the education should fill the skill gap. In case of management education, it is essential that the whole mechanism involving government private, non-governmental and corporate organizations and individuals should encourage skill development by financing research programmes, studies and innovative practices. Indian corporate sector is rapidly growing with increased foreign investment and establishment of business activities centres and corporate offices of more and more companies. This has led to the need of localised persons as top executives and middle level managers to hold the responsibilities which requires skills to help in building an institution or organisation.

According to American Management Association (AMA), there are six critical manager skill sets which form core competencies in an organisation and are contributors to the attainment of already established objectives. Indian management schools are putting in continuous efforts to impart these skills to the future executives. These skills are:

- 1. Management and Leadership Skills:** These are the skills which are required to attract members to be a part of the team and to generate a sense of performing well for organisational development. These skills require setting priorities and development of team members to retain them.
- 2. Communication Skills:** This set of skills is crucial for the success of an organisation. This skill set is all about to convey one's point to other, to present itself in a better way, to reflect the betterment of its organisation, to inspire others through ideas.
- 3. Collaboration Skills:** These skills are about influencing others through actions, building a rapport and strong association and good negotiation capabilities. Collaboration skills also revolve around the managing conflict in the time of crisis including managing and navigation of politics in a fruitful way.
- 4. Critical Thinking Skills:** Critical thinking skills in managers are required to solve problem in favour of organisation with logic. Critical thinking skills are necessary to avoid biasness in decision making and in understanding the organisational strategy. These skills are required to have a focus on meaningful data to reach conclusion in a better way.
- 5. Finance Skills :** Finance skills are the skills which include the creation of budget, forecasts and understanding of financial environment for future of the organisation. Finance skills are also associated with managing cash flow and a sound understanding of financial statements to guide the organisation in turbulent times.
- 6. Project Management Skills:** Managing projects is one of the vital skill set required for effective functioning of an organisation. Project management is essential to have insight into the scope and objectives of projects and to identify the roles and responsibilities of employees.



Fig1: Critical Managerial Skills

Source: American Management Association (AMA)

Besides having the skill set in terms of organisation development, the management education in India also imparts the required entrepreneurship skills to the professionals practicing management education. Entrepreneurship skills are required to run a successful business. These skills are required by entrepreneurs to lead a business entity towards a successful end and generate profits by incorporating a blend of social as well personal benefits.

Entrepreneurship through Management Education

Entrepreneurship plays a significant role in the progress of a country. It is regarded as one of the essential and a reliable input in economic development. The significant role played by the entrepreneurs in establishing the big economies of the world has shown a path to the developing countries that road to economic development passes through entrepreneurship development.

Entrepreneurship development holds an important position in government policies from past decade in India. Over the last decade, various government programs have been initiated to promote research and development within the higher education sector to enhance the exploration of new knowledge of world-class researchers and applying it into the generation of employment. Employment generation is directly linked with the entrepreneurship development. The more entrepreneurship opportunities, the more will be the employment in the country. Taken together, the employment generation and entrepreneurship provide an opportunity to institutions of higher education to play a significant role in developing an entrepreneurial advantage in India.

The management education helps in developing entrepreneurship by using the education as tool to equip with the much-needed skills for first generation entrepreneurs. Entrepreneurship requires the ability to take risks and hence here the importance of management education increases as it tends to impart skills which are required for a successful business. Following figure shows the important constituents of entrepreneurship which is vital for success of a business.

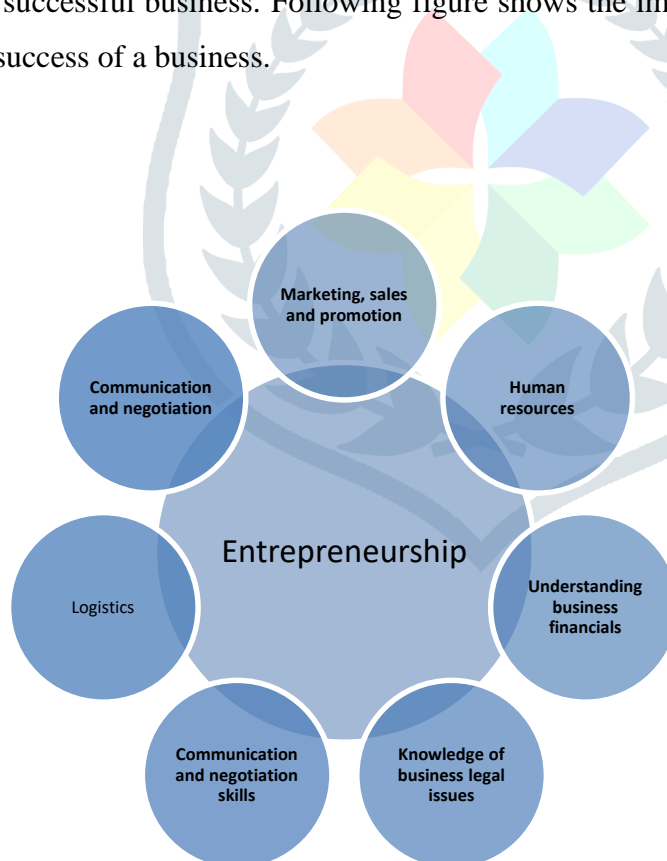


Figure:2 Essentials of Entrepreneurship

Source: <https://www.smallbusiness.wa.gov.au>

1. Marketing and Sales Promotion

Marketing all about the identification of customers and their needs and wants and involves the working out of strategies to make the customers buy the products or services.

2. Human Resource Management

Human resources deals with managing the staff. If one is buying an existing business or taking on a franchise he or she has to manage employees before starting the business.

3. Finances

The primary objective of any business is to make a profit. Good financial management is essential to ensure that stated goal is achieved. The first step involves understanding the financial statements which is crucial to running a successful business.

4. Communication and Negotiation Skills

Business is all about people regardless of an industry or the product or service being offered. On daily basis, an entrepreneur may come across a range of people including customers, suppliers, employees and business associates. Developing the communication and negotiation skills of the entrepreneurs will be valuable in a range of situations from negotiating a supplier contract to dealing with a difficult customer.

5. Knowledge of Business Legal Issues

Business consists of various hurdles which come into way in the form of legal regulations like industry regulation, tax requirements, and industrial relations, business structures, negotiating a commercial tenancy lease or contracts with suppliers. Entrepreneurs are needed to be equipped with the legal issues that may come in the way of operations of a business.

6. Logistics Expertise

In order to maintain continuous profitability, management of finished goods and raw materials is required. An entrepreneur should maintain the optimum level of logistics so as to gain maximum profits and avoid the unnecessary locking up, of goods in the warehouses.

Although management education has done a great job in generation of skills and in development of entrepreneurs, but it has failed to some extent in generation of some specialized skills into the budding executives. According to American Management Association (AMA), most of executives from top international corporations stressed that the industry requires employee with strong critical thinking skills to solve modern day management problems by applying innovative management practices. It is the reality today that the current pool of workers lack these skills. It is required that current management education should focus more on development of such skills which will act as a foundation on which modern management professionals develop their future. Also, modern professionals are expected to have better project management skills because they are more likely to respond (in marketing) to social media opportunities and customer engagement. But management education in the country has failed to provide some good project managers. In the case of marketing professionals, they need to have an analytical mindset as they need to deal with large amounts of sales data. But managers' analytical skills do not develop to the level they should be. With the generation of analytical skills, managers are aware of the immense data value available today and are

very interested in what that data can reveal about consumer behavior, the effectiveness of various marketing strategies, and more. There is no comprehensive approach to management education that can make managers think in terms of integrated, interconnected systems and how they affect one another. There is also a need to develop the technical skills of entrepreneurs and executives to make the business more profitable and to achieve organizational goals.

Conclusion

Management education in India is not the result of evolution. Indian management education has been developed by placing the American management system in the present higher education system, and this is not a result of the local educational and business context and culture. Its growth in India has been sporadic and requires redesigning its objectives, content, pedagogy and other relevant aspects to suit the needs of Indian business and its environment, which is now an increasingly globalized economy. In the Indian context, business enterprises are becoming more complex and competitive. Also, the demands on the skills of Indian managers are changing.

Therefore, the need of the hour to address and change the role of management education in reconstructing the content, purpose and line of management education in India and defining its responsibilities in terms of developing the necessary executive skills and entrepreneurship is essential. As Successful entrepreneurs around the world are considered a pioneer of management education in developing a country, management education will always play a greater role in achieving this transformation. That is why Indian executives and entrepreneurs are able to translate ideas, highly developed skills and knowledge into the sophisticated and competitive business landscape. To be competitive and competent, management education has a greater role and Indian business must position itself to compete internationally, especially against other technological and business innovations emanating from countries such as China and South Korea, as well as developed countries such as Brazil and South Africa and the US, Canada and Australia. In order to make Indian management education more competitive and effective, there must be steps like introducing innovative management on a trial basis to improve poor management performance. Directly linking management education to enterprise level can help improve the knowledge base and expose it to future executives. Further, management education can be strengthened by reviewing the purpose and key functions of business schools. Management education can make more sense by considering how best to respond to industry education and general skills. Relationships between business schools and industry need to be improved to maintain a balance between classroom teaching and practical knowledge.

In short, it can be concluded that business schools have done a very good job in shaping the skills of future education, and that they are job seekers rather than employers. But the skills gap is still in higher education and requires a great deal of change in the construction and functioning of business schools so that they can engage with the industry at different levels. The Indian business school and its offerings for the better future of the country need to be transformed to meet such demands.

References

1. Adhikary,S, and Pandey,A.C. (2012)Content and Context of Management Education in India, Journal of Information, Knowledge & Research in Business Management & Administration,2(1),November11-October,12,41-45,ISSN:0975-671X
2. Powar K B et al., (1995), Higher Education in India – in search of quality, AIU
3. Shafi, Z. S. (2003). Privatisation of higher education. New Delhi: Association of Indian Universities.
4. Negi, U.R. & Bhalla, Veena (1999). Effectiveness and quality in higher education. Association of Indian Universities, New Delhi.
5. Powar, K.B.,(2000). Higher education in twenty first century. AIU, occasional paper, 2000/3, AIU, New Delhi.
6. Rajput, J.S.(2000). Harnessing youth power, University News, 39(5);8-10.
7. Powar, K.B. (1998), “Government Support for Higher Education”, University News, Vol. 36, pp. 8-19.
8. Rowntree. D(1981) “A Dictionary of Education”. Haper & Raw Publishers, London, pp. 16,41,65,75.
9. Kells, H.R. (1992), Performance Indicators for Higher Education: A Critical Review with Policy Recommendations, (No. PHREE/92/56) Education and Employment Division, Population and Human Resources Department, The World Bank, Washington, DC.
10. Soni, S., & Govender, K. (2018). The Relationship between Service Quality Dimensions and Brand Equity: Higher Education Students’ Perceptions. Journal of Management and Business Administration. Central Europe, 26(3), 71-87.
11. <https://www.smallbusiness.wa.gov.au/search/overview?keys=Essentials+of+Entrepreneurship>.