

# Teaching MBA For What ?

## Produce Managers, Not MBAs

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***“The Future of Management Education in India needs to be looked at; The issue is to Produce Managers, not MBAs”.*** To meet the challenges of India’s business and industry in the coming years, we believe, the business schools need a pattern shift which needs to be highlighted.

After several decades of regulated economy, the country came heavily on liberalisation in 1991—a new chapter in the Indian economy. There was genuine realisation and acceptance of the issue that the then existing model of economic growth and development had not contributed any significant benefit to our country. We need to be market demand driven. It had to eliminate the regulated controlled economy and leading to liberalise economic policies and encourage foreign investment and global competitiveness. We are witnessing change to a great extent; the economy has considerably improved. Despite the current downturn, we may hope to have 10 percent of growth during the following year and some progress is evident on other fronts too.

Keeping above in mind, it is highly desirable that management education must realise and respond to meet the challenges facing Indian economy in the present centuries /decades, i.e. the 21<sup>st</sup> century. There are a few major challenges, which we need to analyse without further loss of time.

- To begin with, the first challenge is *to sustain vitality and growth of the economy*, which we have achieved in the last few years. This will require constant monitoring.
- The second challenge is *to enhance competitiveness* in Indian industry and enterprise. During the first 4 decades of independence, industry and enterprise functioned in a protected and regulated environment. The recent policy shift has triggered both domestic as well as global competitiveness. Updating of technology, enhancing capacity utilisation, reducing cost, meeting quality and increasing customer satisfaction have appeared on the top of the agenda. Enterprises are looking for global opportunities, developing global managers, who can also operate

effectively in local environment.

- The third challenge is *to build synergy* among large and small enterprises in the country. We have in the country global corporations operating side by side with medium size and small enterprises; we will continue to need enterprises of different complexities. Complementary nature and networking among large and small enterprises will enhance the effectiveness of each of these.
- The next challenge, the most vital one for the nation in the coming century, is *to create visionary future-driven organisations and managers*. It is time we created a preferred future. There is a need for empowered organisations where people are innovative and creative, motivated and self-regulated, working in team to build the India of our dream.

*To cope with the above challenges, is there a key role for B-Schools and management education in India? If so, what should be the structure and process of management education in India?*

### **Perspective Leaders and Managers**

For quite some time, we have argued that India is not underdeveloped; it is an under-managed or mismanaged nation. Some say, it is over-managed. Whatever might be, the fact is that the business organisations and public agencies need to be improved and better organised both in economic and social sector. We need successful qualified Managers, yes Managers, who could create and add values to our society and in turn to our country. Business Schools have responsibility and role to produce these, not just MBAs which is the matter of concern for all of us.

**It goes without saying that a Business School is considered to be a professional school/institute with pure objectives and purpose to produce highly professional managers with appropriate behaviour, attitude and skills, mindset to perform, with high performance, productivity and profitability for the organisations they work for.**

Our country is growing and has millions of entrepreneurs and lakhs of managers in various economic sectors



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and an equally large number in public services. Today any industry, be it small or big, prefers an MBA as professionals and managers as part of their team and as such the demands are in lakhs and is likely to increase every year. To meet this need, Business Schools are multiplying and Business Graduates are selling like hot cakes. In 1962, there were only six Business Schools which offered Masters in Business Administration or its equivalent. In 1982 it increased to 58; in 1992 it reached 100 and currently we have almost 1,600 Business Schools.

### **Management Education**

A few of the Indian Business Schools are comparable with the best in the world; we have Business Schools teaching the management of rural development, foreign trade, banking, cooperatives; we have Business Schools which provide distance learning and we have a large number of corporate management development centres, some of which are graduating into full-fledged Business Schools. In the last 2 decades, we have produced nearly lakhs of MBAs and thousand of Ph.Ds in management.

Recently, one of the leading management experts in the country made an observation: MBA curriculum in Indian Business Schools is declining in its relevance. Hardly a few schools offer global perspective although most of them talk about globalisation. There is hardly any focus on business ethics, social responsibility, environment, or environment of business. There is a glaring gap between demand and supply both in quantity and quality; between career aspirations of MBAs and professional management needs in the country. This is most disturbing. Business Schools must grapple with these upfront and squarely.

Curriculum and pedagogy; faculty competence and composition of students reflect the quality of a Business School. These need to be in tune with the needs of contemporary management. To Indian business leaders marketing and manufacturing concerns are on the top. Technology, quality and cost are of current concerns. And Human Resource Management is a continuing area of priority. We need to ask if Business Schools are addressing these in their MBA curriculum.

We talk about management of change, but there has not been any significant change in the management education. We are critical but only to make the point. We talk about responsiveness as major characteristic of effective management but as Business Schools have we been responsive enough?

Honestly, we have come to believe that **Management Education should produce managers not MBAs; performers not academic analysts.** It is sub-optimal, if not wrong, to recruit relatively inexperienced people in management education. Management education requires students with work experience so that they could critique, imbibe and transfer managerial learning. But work experience alone will not resolve the fundamental problems of management education. We cannot afford to have a group of elitist managers who jump on a fast track without soiling their hands or serving customers. If management education has to be relevant and useful to the society, it should be offered to those

who have meaningful work experience, proven leadership quality, business ethics and social responsibility necessary for a developing country like ours.

#### Profile of a Student

“The students who come to MBA programme are self-selected. Many come because they desire MBA degree which is the visa and passport for a good job. They are interested on managerial career but more interested in assured income and high salary it commands.

“I don’t want high fliers whose goal is to stand out, I am happy with mediocre who can work in team with dedication and commitment, who give results.”

A student seeking MBA admission, who has specialised in job hopping and who is interested in career and not in contribution will, to our mind, be an unlikely choice for management education. We would also like to give weightage to those who have demonstrated leadership, initiative, enterprise and team work. Those selected for MBA education, in other words, will not be self-selected. They will be vetted by their subordinates who follow them and superiors who respect and appreciate their work. This will ensure that management training is not wasted on students who are unlikely to be effective managers.

Management is a multi-disciplinary subject; it is complex and conceptual. Students without experience are unable to appreciate it. Therefore, they start

believing in management jargons—linear programming, portfolio models, business ration, core competence—as if these are the answers to managerial problems. Some of the MBAs run around looking for quick fix. However, those with meaningful experience are able to question the validity of a theory, its implication in solving problems, besides searching for appropriate solutions.

#### Curriculum

Business School curriculum in our country is largely functional economics, accounting, finance, marketing, personnel, operations, organisation behaviour, MIS, and business policy. These subjects are discipline-oriented. They impart knowledge; they do not necessarily imbibe comprehensive holistic perspectives, or operational skills, perspectives so essential for an effective manager. As most of the MBA students join from arts and sciences, commerce and engineering streams, they are accustomed to disciplinary teaching. To them MBA education comes as an extension of earlier degrees. Likewise, the Business School faculty also find themselves comfortable in teaching these subjects. Intellectually business faculties realise that integration of management functions is the key to managerial effectiveness but practically they find it hard to demonstrate it in classroom situation. Sometimes integrative management cases are used; some schools manage to borrow cases and do so, but to many it remains an intellectual exercise.

Business School curriculum must reflect the needs of business. If one scans the concerns of business leaders in India today, one finds that most of them are worried about quality, cost, technology, logistics, customer satisfaction, and service. Some are also concerned about business strategy, acquisitions and mergers, alliance and joint ventures, core competence and disinvestment. Downsizing, manpower planning and human resource development are also emerging as key areas. If the management education has to be relevant it has to restructure its curriculum to meet these concerns. Business leaders expect Business Schools to produce managers who can immediately slip into a slot and perform. They want graduates with perspectives, skills and process know-how to manage an enterprise or hospital or voluntary organisation or a school system alike.

*(Some extracts are from Management Education in India Perspective and Challenges by D.P. Sinha)*

