CHAPTER 1

CONCEPTUAL FRAMEWORK

This chapter provides the conceptual framework for study on branding strategies of management institutes in the National Capital Region (NCR). It presents a brief introduction to the basic concepts underlying the theme of study. These concepts include brand, branding strategies, stakeholders, expectations of stakeholders, branding of management institutes, student expectations and their perception, student satisfaction and dissatisfaction, brand positioning, management education in India, management education system in 21st Century, present scenario of higher education institutions, accreditation and rankings of business schools, image, identity, reputation of management institutes, placement and internationalization of management education.

1.1 Brand

Brand in general may be construed as any particular name, symbol, logo, design, or concept which differentiates the services and products of one company to another company. A brand provides the base that facilitates in establishing the organization among its competitors. The American Marketing Association (AMA) defines a brand as a name term, sign, symbol or design, or a combination of these, intended to identify the goods or services or group of sellers and also to differentiate them from those of competitors. These differences may be functional, rational, tangible or intangible but all are related to the product performance of brand. They may also be more symbolic, emotional or intangible – related to what the brand represents (Kotler and Keller, 2013)¹. “A brand is a name or mark intended to identify the product of one seller or group of sellers and to differentiate the product from competing products” (Etzel, Walker, & Stanton, 2006)². If a brand is positively acknowledged in the market, customers are likely to strengthen the prolonged existence and eminence of products and services by showing their dedication. “A company can license its own name, or corporate logo, or the name of one of its brands” in order to take advantage of their reputation to prospective customers (Revoyr, 1995; in Lamboy, 2011)³. “The reputation of a brand also influences customer loyalty among buyers of services as well as business and consumer goods” (Etzel, Walker, and Stanton, 2006; in Lamboy, 2009)⁴. Moreover, Wunderman (1999) opined that customers must not only be familiar with a particular brand, but they must be assured that the brand will fulfill their individual needs “from packaging to point of purchase, repurchase, and after sale service and communications” (Lamboy, 2011)⁵. On the other hand, Pinar et al., (2011)⁶ explained that “the brand’s identity provides the DNA for the entire ecosystem, and ultimately brand equity”. Each component of the network in an organization needs to be entirely understood and managed for creating a potential impact on the strength of a brand. He further added that, “An effective brand ecosystem has the potential to not only
differentiate a product/service experience in a meaningful way for the customer, but also to create strong brand equity for the producer”. Today, brands play an important role that enhances the chances of growth in the firms and improve the living standards of the consumers. A product or service is known as a brand when it is marketed with certain recognizable characteristics that a consumer can connect to i.e. an identified name, logo, symbol, design, idea, image or concept. Brands also offer significant differentiation in the features of products and services in comparison to the same from other competitors. Therefore, purchasing a product of a particular brand may not only help individuals to get maximum value by way of the product’s instrumental meaning, but also to express their personality and increase their self esteem through the product’s symbolical meaning (Slaughter et al., 2004). The companies become liable for the significance behind the core message being communicated to the outside people during the execution of brands. Brands are formed to positively converse for organizations through an image or message. However, the information represented is not necessarily true at all times that amounts to actual performance of organizations which in turn can damage a reputation of companies (Crane, 2001).

According to Chernatony (1999)

“Brands represent a cluster of functional and emotional values. In the case of branded physical goods, the functional values are predominantly taken care of, where greater control can be exercised over quality. Whereas, in the case of services, the rationally assessed functional benefits result predominantly from the interaction of staff with consumers and therefore it becomes more difficult to ensure the consistency of functional values. In goods brands, the emotional values are strongly influenced by the communication and packaging strategy which enable notable management control. While in service brands, these factors have potential to create an impact on emotional values, but there is a more pronounced effect from the staff providing the service. Thus, the same core concepts are common to brands in the goods and services sectors, though the execution of branding principles in the service sector needs reconsideration due to the significance of staff.”

Services branding has presented the challenges before the marketers for considering the emergent discipline of brand management and the concept of values in education sector. A brand can be an experience to deliver a promise to a stakeholder that initiates an emotional value in order to form a long term relationship. It expresses the attributes of any product and service that adds dimensions, and differentiates in some way from the traits of the same product launched by rival marketers to satisfy the same need. “For a college or university, the name and all the symbolism attached to it, either through longevity, reputation, quality, or some other factor, represent its brand” (Rosenthal, 2003; Lamboy, 2011).

1.2 Branding Strategies

In 21st-century, marketers must excel at managing the brand strategically. Strategic brand management combines the design and implementation of marketing activities and programs to build, measure, and manage brands to maximize their value. The strategic brand management process has four main steps- 1). identifying and
establishing brand positioning; 2). planning and implementing brand marketing; 3). measuring and interpreting brand performance; 4). growing and sustaining brand value deals with brand positioning (Kotler and Keller, 2013)\(^{11}\). Branding becomes important when there are many competitors offering the same services or products in the market. It empowers the regular products and services, the power of a brand. It is the responsibility of the vendor to express clearly the usage of the product and its beneficial attributes.

According to Eppler and Will (2001)\(^{12}\)

“Branding issues often reside within the context of product branding, where a mass product — typically consumer goods — has to be marketed (externally and internally) through a clearly recognizable visual and verbal identity: the brand. Although there is a growing body of literature on the theory of branding, strategic brand management and branding processes corporate and service branding are relatively new dimensions in branding literature and practice alike.”

In particular, corporate branding is closely related to reputation management, and a company’s name is treated as a brand in its own right which typically targeted not only at consumers, but also at current and potential shareholders and the wider public in addition to existing product brands. Furthermore, the authors view the aim of service branding as bundling a set of services under one brand in order to be recognized by current and potential clients as an integrated and unique offer (Gregory, 1997; Ind, 1997; in Eppler and Will 2001)\(^ {13}\). Additionally, Chernatony (2001)\(^ {14}\) asserted that brand marketing should be a strategic process that is visionary and integrates cross functional activities in the value-adding process. In this regard, Schreiber (2002)\(^ {15}\) introduced master brand approach for industrial companies and represented a brand strategy framework that focused on diversified companies that can also be used by all brand managers in every industry. The researcher found two main variables for determining brand strategy- degree of fear, uncertainty and doubt (FUD) at the point of the buying decision, as well as complexity of buying decision (CBD) for the customer. The framework demonstrated how companies determine both their brand strategy and their marketing communications strategies. Similarly, Upshaw and Taylor (2000)\(^ {16}\) strongly supported that all companies can benefit from adopting a master brand strategy, where company name becomes the ‘umbrella’ over all products and services. Kapferer (2012)\(^ {17}\) suggested that the brand analysis should define precisely- 1. what attributes of the product or service will be materialised; 2. what advantages are created; 3. what benefits emerge; and 4. what ideals does it represent. Therefore, branding is not about being on top of something, but within something. The product or service thus enriched must stand out well if it is to be spotted by the potential buyer and if the company wants to reap the benefits of its strategy before being copied by others. While, Fombrun (1996)\(^ {18}\) suggested that prolonged existence should be a determining factor in brand strategy, and emphasized on the fact that companies last longer than do portfolios of products, and portfolios last longer than do individual products and services. Additionally, Urde (1999)\(^ {19}\) has presented a conceptual framework which suggested that awareness is the first-step in the brand building process. Tybout and Carpenter (2001)\(^ {20}\) have provided a classification of brands as ‘functional brands’, that are bought by the
consumers to satisfy functional needs, and ‘image brands’ that are distinguished from competitors since customer see them as offering a unique set of associations or image and experiential brands that focus on how consumers experience when interacting with the brand. In this strategy, development costs are lower with umbrella names because there’s no need to run research or spend heavily on advertising to create recognition. Sales of the new product are likely to be strong if the manufacturer’s name is good. Corporate-image associations of innovativeness, expertise, and trustworthiness have been shown to directly influence consumer evaluations. A corporate branding strategy can lead to greater intangible value for the firm; Sub-brand name combines two or more of the corporate brand, family brand, or individual product brand names. The corporate or company name legitimizes, and the individual name individualizes, the new product.

Rosenthal, (2003) defined branding as a “part of the promotional aspect of marketing and is extremely important to the image, reputation, and success of a product or company”. Chapleo (2007) also stated, that branding crafts the consumer’s choice process in a more effective manner that could be a reason to offer a rationale for the applicability of branding to higher education. Consumers wish to build up a long term relationship with a brand if they expect that the product will fulfill the promises made by the marketers. In addition, Kotler, et. al, (2013) have defined that branding strategy of any firm reflects the number and nature of both common and distinctive brand elements which it applies to the product that it sells or puts forth for the market.

In the context of this study, branding refers to those identified compelling factors that reveal the unique quality features/unique selling proposition (USP) of a particular management institute which would motivate students to join it or be associated with it for pursuing their ambitions and aspirations. Strategy is a long term plan which defines the roadmap of an organization. It also defines the overall mission, vision, and direction of progress of the firm. Accordingly, in the present study branding strategies of management institutes can be interpreted as a long term planning of those unique features that signify the differentiation or have an advantage over competitive institutes. The research would focus on the branding strategies of management institutions which can assist in maximizing the strengths of the organization and minimizing threats from the competitors. In other words, it gives the organization a winning edge. The planning of branding strategies of management institutes should be determined in a manner that decisions are not made in a vacuum, since any action taken by these institutions would affect its competitors, employees, and stakeholders. Branding strategies are created to attract the attention of the students and other stakeholders. It often starts off with a vision of how the institute wants to be seen by others and how it wants to see itself. There has to be well planned actions that organizations need to take in order to reap the benefits of branding. A robust branding strategy becomes the driving force for the organizations to liaison with potential students at an emotional level which consecutively form long term associations and make them responsible alumni for future. It also helps in building its reputation, awareness, loyalty, and creates formidable barriers for the competitors. Moreover, it provides a basis for decision making and deliver transparent and value based messages for the product or service. Further, it should be noted that although branding a product may not be directly equivalent to branding in education, the research could provide
information that would be helpful for educational institutions to follow, with or without modifications to businesses (Lamboy, 2011).

1.3 Branding of Management Institutes

Due to increased competition at the national and international level in technical education has led to an emerging interest for management institutions to profile themselves. The importance of branded institutions seems to be now considered as more important than ever before. The motive is the positive impact a brand is expected to have on students and academic staff, and for attracting resources and creating goodwill. Thus, new images have been proposed for higher education institutions. The changes in the environment and stakeholders’ expectations have stimulated the university to introduce new and dynamic branding endeavours for their survival and growth.

Many educational executives are aware of the necessity for marketization—the marketing of their educational institutions. The marketing of education is essential for successful recruitment of students. It also increases the market share of resources. According to the Kumar and Dash (2011) branding is particularly important marketing concept that has not been addressed adequately in the marketing of services, essentially in the context of branding of education. Though, there is a gap in the utility of branding strategically and conceptually by educational institutions.

In order to deal with this gap, the present research would provide an additional contribution to the theory and practice about branding strategies of management institutes i.e. how these institutions can employ branding to connect their various clients or stakeholders in strategically branding their organization.

1.3.1 Stakeholders

The term ‘stakeholders’ refers to a group which is likely to feel a significant impact- positive or negative, social environment - economic or financial, from the corporation action and therefore would have a key ‘stake’ in it. Key stakeholders include investors, suppliers, customers, employees, government regulators and members of the communities where the corporation operates or that are offered by corporate activity (Freeman, 1984). Further, Chandratrey and Sajnanapwar (2013) stated that-

“In an educational set-up multiple stakeholders, viz students, alumni, parents, recruiters, faculty-members, supporting staff, government, society and administrators, interact with the system in different ways and have diverse expectations. Therefore, the service expectations are likely to differ amongst stakeholders. The administrators of the educational setup find it very difficult to fix the norms that would suit all the stakeholders”.

“In a market where students are recognized as customers, universities need to implement strategies to maintain and enhance their competitiveness. They need to develop a competitive advantage based on a set of unique characteristics. Furthermore, universities also need to communicate these characteristics in an effective and consistent manner to all relevant
stakeholders..................Under these circumstances, universities have finally realized the role of corporate identity as a powerful source of competitive advantage” (Waeraas and Solbakk, 2009).

1.3.2 Expectations of Stakeholders

Stakeholders include students, marketers, faculty members, administration, and others who are directly or indirectly associated with the management institute. Employees are the assets of an organization. It is a belief that the success of the organization depends on their employees’ dedication, hard work, and commitment towards organizational goals. Nowadays employees look forward to a career growth rather than just a job. In this rapidly changing environment, organizations tend to update their employees in order to ensure that they are compliant with the advanced technology, and competent in modern systems to defeat competitors. Kotler and Keller (2013) remarked that excellent service companies know that positive employee attitudes will promote stronger customer loyalty. Service companies must attract the best employees they can find. They must design a sound training programme and provide support and rewards for good performance. They can use the intranet, internal newsletter, daily reminders and employees roundtables to reinforce customer–centered attitudes.

The performance of the stakeholders help in carving an identity for the institute which serves as a brand, because these individuals are the representatives of the institutes and manage major part of the services provided. Therefore, employees seek that management authority should provide them adequate training, development and research opportunities to prepare them for progress and better future. In a study, Kokhar and Singh (2000) observed that individuals in an organization have certain expectations and fulfillment of these expectations depends upon their perception as to how their organizational climate suits to the satisfaction of their needs. The organizational climate provides a work environment which makes an individual feel satisfied or dissatisfied. Since satisfaction of an individual goes a long way in determining his efficiency, organizational climate can be said to have a direct impact on his performance in the organization.

In the present study, stakeholders refer to students, and faculty members and administrative staff.

1.3.3 Significance of Branding to Management Institutes

According to Kotler and Pfoertsch (2006)

“A brand is an intangible concept. To simplify it and make it easier to grasp is quite often equated with the more tangible marketing communications elements that are used to support it – advertising, logos, taglines, jingles, etc – but a brand is so much more than that:

• A brand is a promise.
• A brand is the totality of perceptions – everything you see, hear, read, know, feel, think, etc. – about a product, service, or business.
• A brand holds a distinctive position in customer’s minds based on past experiences, associations and future expectations.

• A brand is a short-cut of attributes, benefits, beliefs and values that differentiate, reduce complexity, and simplify the decision-making process. Brands facilitate the identification of products, services and businesses as well as differentiate them from the competition. They are an effective and compelling means to communicate the benefits and value a product or service can provide. They are a guarantee of quality, origin, and performance, thereby increasing the perceived value to the customer and reducing the risk and complexity involved in the buying decision. Brands and brand management have spread far beyond the traditional view of consumer-goods marketers. Brands are increasingly important for companies in almost every industry.”

Brands are typically created to positively speak on behalf of a company through an image or message (Crane, 2001). It represents a legal mark and is protected by copyright, trademarks and patents that are corroborated by the concept of intellectual property rights. Brands also enable consumers to identify high-quality products and services and save on search costs (Stone and Desmond, 2007). Branding also helps in forming a link between consumers and brand. It has the potential in associating the clients with the brand’s identity (Illia and Rekom).

Similarly, branding has become more significant strategic primal component of the institutions’ functioning in management education. It represents uniqueness of organizations which differentiate them from their competitors and provides a competitive advantage over others and also creates a basis for the organization to define the standard course of action that would help to accelerate the rate of organizational growth. Branding refers to various certification affiliations, approvals, awards and ranking instituted by media. It provides legal protection to the organization. Moreover, branding of institutions enables quality service that an organization promises to deliver to the students in terms of looking after their needs and expectations satisfactorily, which would then convert into long term relationship. It increases the rate of appropriate financial returns in long term.

1.3.4 Significance of Branding to Students

Branding provides a symbolic identity to the organization which helps to differentiate it from its competitors. Students can easily identify those institutes which have a particular symbol, logo, and tagline.

It assigns the responsibility on the institution to provide the right direction to students’ career which in turn, reduces the risk of uncertain future of students. Branding may improve the chances of satisfaction and reduces the stress level of students to a large extent. In every possible manner students expect to receive quality services after their admission.
1.3.5 Expectations of Students

When a student plans to take admission in a college, he expects to receive certain benefits that would satisfy his present needs or wants and also secure his future. However, these expectations about the institutes are formed on the basis of information provided on website, blogs, and social networking sites, reference groups, opinion of their friends, marketers, and advertising. Thus, he presumes that the institute would serve a standard service that is promised to the stakeholders through these sources. These information sources also create the base for measuring the performance of the institutes against promised standard services and facilities which also become the base for satisfaction and dissatisfaction of the student. Wherever an institute displays high quality services, which are not appropriately met, the students would be disappointed, so it is necessary for the education providers, to understand the expectations of the students, since they take decisions on the basis of their expectations and perceptions formed through their own knowledge and all other sources of information.

1.3.6 Perception of Students

Perception is a necessary part of assessment of an organization. It facilitates effective evaluation of offerings in the frame of consumer perceptions. According to Ashwathapa (2008)\textsuperscript{35}, perception refers to the process of receiving stimuli, selecting, grouping, understanding, and reacting to the external stimuli. Perception is also influenced by the object of perception, the perceiver, and the situation in which the process occurs. It is an important variable in individual behaviour. Moreover, Dodd (2003)\textsuperscript{36} stated that customers look for a number of contextual cues such as price, brand name, customer service and store image so as to determine value of the product they are planning to buy. This is the key to understand customer value. Therefore, he found that perceived value is a function of the perception of quality, customer service, and price which leads to the perceptual relationship between the offering and price to determine perceived price.

In the context of this study, the offerings of the institutes cannot be judged on the basis of its promised services only, but it should also fit to the preference of students. It cannot be confirmed, that right set of offerings of any institute can essentially bring positive response of any student. In a study of an Indonesian Public University, Andriani (2013)\textsuperscript{37} explored the important factors that played a major role in influencing students in selecting their existing university were 1) accreditation, 2) course suitability, 3) competition, 4) family, 5) high school teacher influence, 6) alumni networking, 7) scholarship, 8) variety of courses offered, 9) safety, 10) promotion, 11) easy to post graduate overseas, 12) community perception, 13) God, and 14) luck. The perception of students on each variable varied on how that has been perceived by an individual. Hinds, et al., (2010)\textsuperscript{38} investigated the opinion of Masters of Business Administration (MBA) students of South Eastern Louisiana University. He found factors such as- expense, quality of instruction, friendliness of the learning environment, ease of entry, and flexibility were their primary considerations in examining of the perception of the brand images of the MBA programmes.
1.3.7 Student Satisfaction or Dissatisfaction

Satisfaction and dissatisfaction can only be observed when the customer has used the product or experienced the service. Schiffman and Kanuk (2013)\textsuperscript{39} have stated that customer satisfaction is the individual perception of the performance of the product or service in relation to his or her expectations. If the experience of the student falls below his expectation with the services of an institute, he will be dissatisfied whereby students whose experiences match with the expectations will be satisfied. However, the students whose expectations exceed the expected performance may be extremely satisfied and appreciative. Satisfaction is the outcome of expected performance of the product and service with regard to its perceived value and benefits. It is only the consumer who can decide whether he or she is satisfied or dissatisfied. Dissatisfaction is possible if the reason appears to be lasting, marketer related and under volition (Hoyer and MacInnis, 1999)\textsuperscript{40}.

1.4 Brand Positioning

In common language, the meaning of position of an object is its spatial location, or its appropriate place within a context. In the first half of the 20\textsuperscript{th} century, Edward Chamberlin, an American economist, explored a major paradox of contemporary branding and positioning decisions was finding the balance between points-of-parity i.e. brand sameness and points-of difference i.e brand differentiation (Koch, 2014)\textsuperscript{41}. Callon, Meadel, and Rabeharisoa (2002)\textsuperscript{42} stated that a good means positioning it in a space of goods, in a system of difference and similarities, of distinct yet connected categories”.

Brand positioning is a topic subjected to extensive research and has become more important in the present society as many industries are characterized by fierce competition (Hem and Teslo, 2005)\textsuperscript{43}. On the other hand, according to Ries and Trout (2003)\textsuperscript{44}

““The question most frequently asked is why? The answer is, that we have become an over communicating society. In the communication jungle out there the only hope to score big is to be selective, to concentrate on a narrow target, to practice segmentation, in a word, positioning …………;
Positioning is not what you do to a product. Positioning is what you do to the mind of the prospect. That is, you position the product in the mind of the prospect. Positioning is a crucial decision in the attainment of a successful brand. It directs consumer’s perception and choices for making a purchase decision. Essentially, a well positioned brand focuses on a particular need of a customer segment, it generates loyalty, defines their preferences, and beliefs about the value of a brand and also derive a significant desire to search for the brand”.

Kapferer (2012)\textsuperscript{45} further explained that positioning aims to identify and obtain possession of a strong purchasing rationale that gives an actual or perceived advantage. It expresses a desire to assume a long lasting position and defend it. Positioning also states the best manner to deal with competitors’ market share in the present competitive era.
Today, management education providers are facing greater regulatory responsibilities than in the past. These institutions work with people who are aware of the present scenario in the technical education sector and have myriad options currently available in the market. Therefore, meeting the expectations of stakeholders is becoming a big challenge for organizations. Closer association is required in order to develop authentic brand promises that could facilitate in providing greater potential of admissions in the institutions. Hence, finding and choosing the elements for a brand platform can be seen as a crucial activity in a brand positioning process (Koch, 2014).

Literature gives several definitions of the term brand positioning. All indicate the common idea that brand positioning starts with consumer perception and lies on differentiation of product and services with other competitors. While positioning any institute, strategists must investigate certain questions in relation to their brand such as:

**What?** It implies defining the essence of what a university “is”, what it “stands for” what it is going to be known for, this requires preciseness and consistency in the expression as well as internal commitment to the brand. (Waeraas and Solbakk, 2009).

**Why?** It involves the consumers (students and stakeholders) benefit, as they desire for tangible and intangible benefits as well as functional and non-functional attributes from a branded institute.

**For Whom?** The target specifies the nature and psychological or sociological profile of the individuals to be influenced, that is, buyers or potential consumers (Kapferer, 2012). This research consists of the target consumers of the institutions. Which segment of the consumers (students and stakeholders) would be focused upon and also determine the region (regional, national, international) to be served?

**Against Whom?** The organizations should observe the competitors offering similar and better facilities and services in the market. This means that the concept of positioning is relating to segmentation, targeting, and communication (Koch, 2014).

There are certain requirements that a management institution need to determine in advance prior to initiate for brand positioning. The important features of positioning of an institute are shown in figure 1.
Fig. 1.1 Features of Brand Positioning of Institutes

These aspects would be broadly explained later (see Chapter 5).

Positioning is an essential concept, since all choices are comparative, and hence makes sense to commence by stating the strongest area and in marketing, perception is reality. Positioning starts with customers, it also enables customers to identify the strong point of factor that distinguishes it from the rest among plethora of brands Kapferer (2012)50.

1.5 Management Education in India

Management education in India has been gaining a greater market share in the present era. In accordance with trends several new courses are introduced in this sector. The intensive competitions among the rising number of management institutes have been posing a considerable challenge for all. They are struggling to establish and maintain their positions within the education sector. Candidates are getting wider options for choice which has resulted in saturation of management education sector. Management education has capacity to fulfil this increasing demand of good managers and hence the management institutes need to frame various strategies to make it possible to develop managers for strategic use of resources for the welfare of society as a whole.

Today’s students are very tuned with brands. They are net-savvy and seek information about anything through word-of-mouth rather than conventional word-of-mouth. After all, every student wants to graduate from a school that is well-known and well-respected. Branding is not just about a single logo or advertisement, it is a series of events that can be put together to form a clear picture. This picture says what you sell, how good you are and why consumers should buy your services (enewsline, 2009-10)51. Creating, developing, implementing, and maintaining successful brands are frequently at the heart of marketing strategy (Patel, 2009)52. This demand has created the need of continuous formation of strategies and their innovations for branding of management institutions.
The growth of management education in India has been phenomenal in the last twenty years. The first college level business school was founded in 1913 in Mumbai named Sydenham College followed by Commerce College later on it was renamed as Shri Ram College of Commerce in Delhi in 1920. The Indian Institutes of Management (IIMs) were given birth in 1960’s by the Indian government. A report of Ministry of Human Resource Development (HRD) (2012)\textsuperscript{53}, stated that India has 13 IIMs presently located at Ahmedabad, Kolkata, Bangalore, Lucknow, Indore, Kozhikode and Shillong. These are considered to be institutions of excellence, established with the objectives of imparting high quality management education and training, conducting research and providing consultancy services in the field of management to various sectors of the Indian economy. These institutions are recognized as premier management institutions, comparable to the best in the world for teaching, research and interaction with industries. During the XI Five Year Plan, six new IIMs have been set up at Rohtak (Haryana), Raipur (Chhattisgarh), Ranchi (Jharkhand), Tiruchirappalli (Tamil Nadu), Kashipur (Uttarakhand) and Udaipur (Rajasthan).

Apart from the IIMs, management education is also offered by the departments in university campuses, affiliated colleges of universities, and technical universities. Moreover, autonomous institutes approved by All India Council for Technical Education (AICTE), universities running distance education program and open mode such as IGNOU, Delhi University, Kurukshetra University, ICFAI and several others are offering courses in management. Some recognized institutes and universities are also offering three years part time programme in the evening for working executives. Foreign universities having collaborations in India and those having students exchange programme with limited-time studies abroad are also imparting management education. New private universities like ICFAI, Amity and several others are now coming up well with their management schools (Kumar and Dash, 2011)\textsuperscript{54}.

1.5.1 Management Education System in 21st Century

India has witnessed a sea change in the 21st century. An advanced professional approach has replaced the traditional approach with the advent of liberalisation, privatization and globalization. This new era has introduced several courses in management studies according to the demand of industries. Presently, these new courses provide valuable guidance. Management education has got a new breath with the passage of time.

In the beginning, marketing, finance, and human resource management were considered as functional areas of management, but nowadays management education covers much more functional areas like operations, information technology, international business, supply chain management, retail and many others to add to the list. Most degrees of the management education in India are in the form of MBA with various specializations and Post Graduate Diploma in Management (PGDM) and they are available as fulltime or part time. The other variety of courses offered are- Master of Management Studies (MMS), Master in Finance Control (MFC), Master of Public
Administration (MPA), PG Diploma in Management (PGDIM), PG Diploma in Human Resource Management (PGDHRM), PG Diploma in Financial Management (PGDFM), PG Diploma in Operations Management (PGDOM), PG Diploma in Marketing Management (PGDMM) etc. These academic programmes are available in online, distance learning, full-time and part-time mode.

There are several management institutions exist across India. Many of them counted among the best in the world. Unfortunately, except few top Business schools (B-schools) others have failed in providing suitable placements to their students. It is a serious issue of concern, and the reasons should be clarified by the affiliating authorities, students, and those institutes who impart management education. Hence, questions are raised on the quality of management education taught to students which is adversely affecting their employability. Several owners of the institutions are incapable of getting adequate admissions, in spite of investing a fair amount on infrastructure for the college and start up costs. Eventually, they became loss making ventures and are on the verge of closure. In contrast, those institutes that are competent in getting admissions have no criteria of screening potential students which led to poor input and consequently become the cause of pitiable placements. The time has come to think together deliberately and find strategies to survive and create employable human resource.

In India, there are various committees and authority that grant affiliation or accreditation depending upon the subject. University Grants Commission (UGC) is liable for the coordination, determination, and maintenance of standards of university education. AICTE is the formal body that gives recognition to the technical institutes in India. It was established in November 1945 as a national level apex advisory body vested with statutory authority for planning, formulating, and maintenance of norms and standards, quality assurance through accreditation, funding in priority areas, monitoring and evaluation, maintaining parity of certification and awards to ensure coordination and integrated development and management of technical education in the country.

In the present scenario, private and public sectors both are imparting management education, but the private sector plays a dominating role in this sector. The institutes which are presently involved in management education can be divided into six categories. Gonda (2012) categorized the institutes on the basis of their legal status and functioning. These include:

a) **Autonomous Institutes**: The institutes funded by the Ministry of Human Resource Development belong to this category. These are now popular as IIMs. During 1960s Central Government of India took initiative for establishing such institutes which intended to develop human resource that could manage industrial and economic growth of the newly independent India. At present, there are 13 IIMs positioned all over the country and are known as leading institutes in management education across the globe. These institutes have autonomy in respect of admissions, curriculum, administration, pedagogy etc.
b) Private Unapproved Institutes: There are certain institutes which work with the help of private funding and are not recognized by the AICTE. This category of institutes posses full autonomy relating to course fee, admissions, recruitment of faculty, curriculum, course duration, pedagogy and others. They are very flexible in their functioning and have a close relationship with the corporate sector. Some of these institutes are sponsored by industries. However, the degrees produced by some of the private institutes are not considered for recruitment to government jobs.

c) AICTE Approved Institutes: All India Council for Technical Education (AICTE) is an autonomous body of the Ministry of HRD of Central Government, India. This organization is established to regulate technical education in the country with the help of ministry of technical education of the respective State Governments. AICTE approved institutes work under the supervision of three regulatory bodies i.e. AICTE, Director of Technical Education (DTE) of State Government and Affiliating University. AICTE also determines the basic eligibility for faculty appointment and issue approval of new technical institutes plus execute continuation of those approvals. However, DTE of respective State Government regulates admission process, eligibility, entrance exam, intake of seats, and fee structure, whereas affiliating university regulates working hours, curriculum, pedagogy, and approval of teaching faculty.

d) Deemed Universities: These institutions are granted a status of Deemed-to-be University by the HRD Ministry of Central Government and are recognized by the under section 3 of UGC Act 1956. These deemed universities are independent in all respects say admissions, curriculum, and administration.

e) Foreign Collaborated Institutes: Under this category private colleges or institutes offering MBA courses in India in collaboration with foreign universities fall, where degrees, diplomas, and certificates are awarded by the foreign university.

f) University Department of Management Studies: These are the study centres which provide distance, correspondence and part time courses as well.

1.5.2 The Present Scenario of Higher Education Institutions

The annual report of Ministry of HRD 2011-12\(^5\)\(^6\) (see Appendix.3) has shown phenomenal growth in higher education in India. There were only 20 universities and 500 colleges at the time of independence. These numbers have increased by 26 times (\textit{i.e.} 523) in the case of universities and 66 times (\textit{i.e.} 33023) for colleges of higher education. Similarly, there has been tremendous growth in the enrollment also. The hike in technical programmes and institutions can be noticed.

There were around 100 B-Schools in India at the time when All India Management Association (AIMA) was established in August 1988, Thereafter, there has been a substantial growth in the number of B-Schools in the country which nearly doubled after every five years. A look at the recent growth of different programmes in technical institutions reveals that progress of management programmes has been
remarkable (see Appendix.4). According to AICTE Approval Process Handbook (2013)\textsuperscript{37} there are more than 3800 management institutes including PGDM and MBA courses with annual intake of 3,85,008 students (see Appendix.5).

Some other issues which are raised in this study are: accreditation, ranking, placement, and internationalization of higher education. At present, the major subject of concern for business schools is: the increasing institutionalization of accreditation processes and prominence of accrediting agencies.

1.5.3 Accreditation

Accreditation provides an independent validation of an MBA or PGDM programme in terms of quality of the academic programme, faculty-members, and curricular resources, among other factors (Havaldar, 2012)\textsuperscript{58}. The parameters for rankings do vary substantially but broadly business schools rankings reflect the perceptions of students and recruiters. When a B-school has good ranking and accreditation from national and international agencies, it not only help students and recruiters to select such institute, but also make it easier for the institute to get diversity in students and quality.

A business school gets recognition when it is accredited and also ranked by different agencies. In India accreditation is done by national agencies such as an establishment of the AICTE- National Board of Accreditation (NBA); the UGC set up- National Assessment and Accreditation Council (NAAC).

The brief introduction of these two Indian accreditation agencies is:

a) NAAC: The National Assessment and Accreditation Council is an autonomous institution of the UGC. This organization determines the standard of quality of higher education institutions which is being provided by a university or a college. The process includes evaluation of self-study report of colleges by the peer-team from the NAAC.

b) NBA: The National Board of Accreditation was established by the AICTE. This board assesses the quality of education and accreditation of technical programmes in India. NBA accredits various under-graduate, post-graduate and diploma programmes of management, engineering and technology, hotel management, pharmacy, architecture, catering technology, applied arts and crafts. Due to increased involvement of NBA in various technical programmes, the focus on management education seems missing. In addition, NBA has proposed a new initiative in collaborating with AIMA which intended to draft accreditation process for the management programmes only.

Accreditation facilitates business school in distinguishing itself from other schools. It also ensures quality and confirms that the institution or the MBA programme is meeting the stringent norms and standards (Havaldar, 2012)\textsuperscript{59}. 

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The International Accreditation Agencies are shown below:

There are three principal accrediting bodies for traditional business schools: The Accreditation Council for Business Schools and Programs (ACBSP), the Association to Advance Collegiate Schools of Business (AACSB), and the International Assembly for Collegiate Business Education (IACBE) (Thompson, 2004 in Julian and Ofori-Dankwa, 2006)\(^6\).

a) **IACBE**: The International Assembly for Collegiate Business Education is a specialised accrediting agency that accredits business and business related programmes internationally, including the United States. It is recognized by the Council for Higher Education Accreditation (CHEA), an agency of the U.S. Government that certifies accrediting agencies. The accreditation process of IACBE focuses on mission-related performance.

b) **AACSB**: The Association to Advance Collegiate Schools of Business provides internationally recognized and specialised accreditation for business and accounting programmes at the bachelors, masters’ programme and doctoral level. It is one of the most difficult certification to achieve and is granted to colleges, not to individual courses.

c) **AMBA**: The Association of MBAs, often referred as AMBA, is the international impartial authority that accredits programmes, such as MBA, Diploma in Business Administration (DBA) and Masters of Business Management (MBM). AMBA only certify programmes, not business schools.

d) **EQUIS**: The European Quality Improvement System is an independent European system of quality assessment, improvement and accreditation of higher education institutions in management and business administration. It accredits management institutes and not programmes. Internalization is a core area for validation by EQUIS.

e) **ISO Certification**: International Organisation for Standardization is the developer and publisher of international standards. It is a network of the national standards institutes of 162 countries. It assures that the business school has a documented way of delivering a certain service at a level of quality (Havalidar, 2012)\(^6\).

**1.5.4 Rankings of Business Schools**

Rankings of business schools are quite popular in the education sector. Rankings help students, their parents, and recruiters to understand the present status of management institutes among several competitors. It facilitates them in taking right decisions while choosing a b-school. Several magazines, government and private organizations conduct surveys for ranking the best b-schools. However, the method used for these surveys may vary in nature.
As per the average ranking of last three years done by the Financial Times Global MBA Rankings (2013), Indian Institute of Management, Ahmedabad, (IIMA) and Indian School of Business, (ISB) are among the top globally placed institutes being 16 and 22 respectively. It shows entrance of India on the global management education outlook. There are number of outstanding management institutes in India, none out of the large number of B-Schools except, IIMA and ISB in India are ranked, unlike seven from China (2013 List of Global MBA Schools).

Havaldar (2012)\textsuperscript{62} revealed the reasons of Indian schools’ inability to achieve international rankings are- they do not have diverse students as their American and European counterparts. The other reason was that these b-schools do not a have research culture. The rankings and accreditation facilitate institutes in accomplishing recognition from MBA aspirants and recruiters.

\subsection*{1.5.5 Image, Identity, and Reputation of the Management Institute}

Argenti (2000)\textsuperscript{63} has represented a model that explains the connection between a school’s identity, image and overall reputation in a way that can help deans and administrators to introduce programmes that will benefit the school in a more profound way than individual efforts targeted at media (public relations) and customers (marketing). The three terms are defined separately and its connection would be explained subsequently.

Identity is a concrete, often visual, manifestation of the organization reality. This would include the name, logo, buildings, publications, speeches, websites, course offerings, faculty-members, and other things that can be pointed as ‘tangible offers’, whereas the institution’s image is a reflection of that identity. The image is how each constituency views the organization including students, recruiters, faculty, alumni and, the parent university. Reputation is the sum of those individual images that shaped the mind of all constituents about the organisation. Reputation represents the totality of perceptions for an institution. His research also revealed that association with a reputed university, high quality faculty, high quality student, and strong image in the corporate sector, strong alumni with high affiliation and survey rankings are several factors that contribute to the strong reputation of the organization.

\subsection*{1.5.6 Placement}

Amongst MBA aspirants, placement is an extremely sensitive issue. A good placement is only possible when students, faculty-members, and other associates have done well in their respective areas in a business school. Several prospective students and their parents, first look for the chances of placement opportunities open to their candidates while choosing any institute. In the present situation, social networking sites are being used to get the correct information about the placements from the previous batches. However, in many cases the status of placement statistics of institutes cannot be guaranteed. Therefore, this study would help one to realize the importance given to placement opportunities by the students and faculty.
1.5.7 Internationalization of Management Education

Internationalization of higher education is a reality which is influencing policymakers in most countries of the world. These include improving the quality of education, promoting Indian culture and values abroad, generating goodwill and understanding across borders, and deriving both economic and political benefits (Powar, 2012). In the beginning of the new millennium Association of Indian Universities (AIU) organized two international roundtables in order to request government to take prompt action towards the policies relating to the promotion of Indian higher education in foreign countries. Consequently, the Government of India set up a Committee for the Promotion of Indian Education (COPIE) in 2002, after recognizing the priority of internationalization of higher education, UGC launched Promotion of Indian Higher Education Abroad (PIHEAD) as a coordinated national initiative. However, according to AIU both these programmes have lost their steam and are dormant for all practical purposes.

Nevertheless, many institutions have taken up internationalization of education as a key activity and moved towards academic partnerships with foreign universities/colleges for internationalisation of education. Some of the major Indian institutions which were established soon after independence received assistance from developed countries. Institutions in the US helped in setting up well known Indian institutions including Indian Institute of Technology (IIT), Kanpur (1959), G B Pant University of Agriculture and Technology, Pantnagar (1960), Indian Institute of Management, Calcutta (1961) and Indian Institute of Management, Ahmedabad (1962). Recently ISB Hyderabad in 2005 started a partnership with Kellogg School, Wharton School and London School of Business. There has been a strong impact of those foreign collaborating institutions in the academic programmes of Indian institutions. Birla Institute of Technology and Science, Pilani, developed in association with Massachusetts Institute of Technology (MIT), which benefitted from Ford Foundation Grants, and has adopted many practices common to US colleges also. It has become a differentiation factor amongst the academicians to attract those students who aspire for foreign degrees.

Presently, international collaboration between institutions in India and abroad is organized largely through articulation arrangements which involve study on two campuses, Indian partner provides the facilities in terms of infrastructure and core faculty for the major period, wherein the foreign partner may provide faculty, trainers, and possibly some equipment in the initial period. Majority of these programmes do not have the approval of the statutory regulating body. Hence, the articulation programmes essentially take place in the form of transfer of credits from the Indian to the foreign institutions. Therefore, the foreign university usually awards the degree, but there is a sharing of fees (Powar, 2012).

The increasing importance of internationalisation of higher education has encouraged the researcher to analyze impact of the policy to a large extent. This would be one of the added factors for the branding strategies of management institutions.
In the context of this study, management education institutes are sometimes interchangeably used with the ‘management institutes’, ‘b-schools’ ‘institutes’, ‘colleges’, ‘universities’, ‘organizations’, and ‘institutions’. At few places, faculty members and administrative staff have been replaced with ‘faculty and staff’.

1.6 Summing Up

In this introductory chapter, the major concepts have been briefly introduced which shall be used in the study, and are necessary for a better understanding of the research of the management institutes.

Endnotes


11 Kotler, Philip and Keller, Kevin Lane, 2013. p. 241 *op cit.*


29Kotler, Philip. and Keller, Kevin Lane 2013. p. 364 *op cit.*


47 Waeraas, Arild and Solbakk, Marianne N. 2009. *op cit.*


53 http://mhrd.gov.in/iim_hindi 22/07/13

54 Kumar, Sanjeev and Dash, M.K. 2011. op cit.


59 Havaldar, Krishna 2012. op cit


61 Havaldar, Krishna 2012. ibid

62 Havaldar, Krishna. ibid


65 Powar, K. B. 2012. op cit.