Chapter - 1

Introduction

1.1 Why this topic?
1.2 Why study for Pune Metropolitan area?
1.3 Importance of Research
1.4 Problem Definition
1.5 Researcher’s Observation
1.6 Geographical Limits of the Research Study
1.7 Summary
**Introduction**

The topic for the research selected is a personal interest of the researcher. The Researcher’s 28 years long administrative experience of working as controller of examination as well as an Accountant has gave an opportunity and insight of interacting with 1\textsuperscript{st} and 2\textsuperscript{nd} year students, from various background, right from their admission into the institute to the end when they pass out. Interesting interaction used to happen when students and their parents used to come for the first time and used to ask questions like–

Which area of elective do you have?
What types of companies come for placement?
What is highest package offered?
Do all the students get placed?

These interactions with student, generated interest in study of this research.

1.1 Why this topic?

Administrative experience, provided me an insight of what is being offered to management students in Pune, in terms of the academic input, skill sets and practical work experience, and what ought to be taught and practiced, keeping in mind the interest of the career opportunities available.

It is seen that in today’s business context, therefore, Management Education demands a diagnostic approach to the course content. And to understand the differences between what management institutes in Pune are offering and what are the career opportunities available for the students passing out from this Institute. I took the challenging assignment of understanding the career opportunities for management students of Pune in detail. Study shows an attempt to answer, why, to study career opportunities for Management students.

Management courses are most popular among younger generation. New generation has realized importance of Management education. Top Management Institute came in to existence in 1960. Today there are about 4000+ Management Institution in India. It includes IIMs, University Management departments, private Management Institutes. Large numbers of Management Institutes in India are producing more Management
graduates than the requirement in the Market. They are produced in lacks year after year. Now it is very important to review the need of Management graduates for growth of India. It has been observed that large number of Management graduates looking out for good career opportunities and they are not able to get it, in spite of large number of opportunities available. Hence this topic “The Critical study of career opportunities for Business Management students, with special reference to Pune metropolitan” is very important.

1.2 Why study of Pune metropolitan area?
In the decade of 60, there were only very few (about 20) manufacturing units. Pune has manufacturing, glass, sugar, and forging industries since the 1950-60s.
Telco Bajaj, Vulcan Laval, Atlas Copco and Kirloskar’s are few names to quote. Today in 2014, Pune has changed its face from all possible angles and directions.
Pune has become main educational hub, Medicine, Engineering, I.T, Management, Law; etc.Pune is the eighth largest metropolis in India, the second largest in the state of Maharashtra after Mumbai. Pune has International, Three stars, five stars hotels and quality hospitals.
Research regarding study of career opportunities for management graduates in Pune metropolitan area is more important because Industries around Pune are increasing very fast.
This growth is taking place in all sectors of industries like -

a) The automotive sector is prominent in Pune. Pune has Automotive Research Association of India (ARAI), which is responsible for the quality of all vehicles manufactured in India. Automobile companies like Tata Motors, Mahindra & Mahindra, Mercedes Benz, Force Motors (Firodia-Group), Kinetic Motors have set-ups in Pune. Automotive companies including General Motors, Volkswagen, and Fiat have set up Greenfield facilities near Pune. Pune is called as India's "Motor City". Pune is a home for automobile Industry. (I)

b) Pune is Industry dominated area Kirloskar oil engines (India’s largest diesel engine company), Kirloskar Pumps (India’s largest manufacturer and exporter of pumps and the largest infrastructure pumping project contractor in Asia), Kirloskar Pneumatics
Co., Ltd., Kirloskar groups, Buckau Wolf, Hindustan Antibiotics, and several others. Bajaj Electricals Ltd., Cummins, Generator Technologies India Ltd., Cummins India Ltd., Haier Appliances India Pvt. Ltd., LG Electronics India P Ltd, Valeo Engine & Electrical System India Pvt. Ltd., Whirlpool of India Ltd, Dow Corning India Pvt. Ltd., Foseco India Ltd., Fresenius Kabi India Pvt. Ltd., are also located in Pune region.

c) Information technologies, Software Industries are growing very fast. Pune has InfoTechPark at Hirjewadi. Big names and leaders of Software industries have chosen Pune as center for their business. Major software companies in Pune include TCS, Infosys, IBM, Wipro, Persistent Systems, Geometric Limited, Symphony Services, Wipro, Cognizant, Symantec, Tech Mahindra, Syntel, Fujitsu, Sungard, IBM global, Sybase, Allscripts and Crest Premedia Solutions (P) Ltd.

d) Service sector industries are also increasing with rapid and high speed service sectors like

1. Building & Construction
2. Insurance & Banking
3. Travel tourism
4. Finance
5. Medical Care (Hospitals)
6. Hotels
7. Hospitals
8. Education and Foreign Universities
9. Marketing of FMCG goods
10. After sales services for all kinds of vehicles.

e) There are large number of middle scale and small scale units in Pune metro areas. Building and Construction, Building roads, Highways, etc. are another areas which are growing very fast.

f) Vamnicom, Yashada are government training centers in Pune.

g) TMTC, Crompton training centers are in private sector.

h) Pune has government, semi-government and private enterprises in various fields.
The growth in industries, business, service industries, I.T. sector is sure to create more employment opportunities in coming years. This is going to create huge demand for management graduates.
Pune is also center for supply of qualified people in all areas, hence careful study is essential to balance supply and demand.
People from across the country come to Pune for better career and job opportunities. With so many areas open to the students, it is important to know which field is suitable for the student; therefore this study of career opportunities available in Pune metro area for management students is very important.
Other objectives of research studies are given below.
1. To study & forecast the opportunities in new sectors, likely to produce demand for management students in coming 25 years.
2. To study and suggest changes in course contents for management students.

1.3 Importance of Research
I have discussed earlier that how Pune has changed its face in last 30 years this is going to create many career opportunities for management students in various sectors. So this study is important and this will prove more useful to management graduates and employers. Research student has assumed that there would be many career opportunities in service sector and many more super specializations will be available in service sector. Hence study of this subject is more needed.

Importance of research work for employers
Employers will get good management graduates according to their expectations. It will reduce their training and retaining cost of management graduates. This study will produce good management graduates useful for their organization hence this study is important.

Importance of research work for Management Institute
This study will provide good input to improve quality of management graduate. It will also give good input to Management Institute to design syllabus. It will help to
understand expectations of corporate (employers) from management graduates. So this study is very important for management institute.

**Importance of research work for Student**

It will help management graduates (student) to understand expectations of employers and management Institutes. It will help management graduates to understand various career opportunities available in various sectors in coming future. Based on this study they can plan their career.

**1.4 Problem Definition**

Research student has identified following research problems -
Management graduates produced from large number of management institutes are not getting jobs according to their expectations.
Employers are not getting management graduates according to their requirement.
Management Institutes are not getting good quality students at the time of admissions for management course due to quota system.
There is mismatch between expectations of management graduates from employer and employer’s expectations from management graduates
Research student is trying to find out answers for these questions.

**1.5 Researcher’s Observation**

It is observed that there is massive growth on both fronts like, increase in number of management institutes in and around Pune and growing industries in and around Pune.
The whole research centers on theme that, there is definitely a possibility of growth in employment opportunities in near future to come.
Due to the intensification of globalization, competition and professionalism in the corporate world, management education, no doubt, has earned a central role in the success of student’s career.
1.6 Geographical Limits of the Research Study

Introduction

Locations/Areas around Pune covered for the research are as follows -

The research study is limited to Pune and surrounding areas of Pune. Area surrounding Pune is mainly considered for studying industrial growth.

Hadapsar, Pune camp area Airport, Chandan Nagar and surrounding places are important locations on east side of Pune. Westside of Pune starts with Kothrud and is up to Paud, Pirangut, Wakad, Hinjewadi. This place is mainly dominated by big players in software companies. Southern side of Pune is Katraj side of Pune city. This area is mainly known for small and medium industrial estates. Thousands of small units function from Southern side of Pune. North side of Pune is mainly Bhosari, Pimpri, Chinchwad, Nigdi and up to Telegaon. This area is again dominated by big industrial Units like Telco, Bajaj, Atlas, Vulcan laval, Garware and thousands of small and medium scale units. This is only description about industrial development of Pune and surrounding areas. (2)

1.6.1) Development of Pune metropolitan area which has direct relation to career opportunities for all management graduates.

There is marked and significant improvement in other areas like

1. Establishment of Colleges and Universities
2. Infrastructure development like roads, electricity and communications
3. Development of all outskirts of Pune and surrounding area, Housing, Construction etc.
4. Medical facilities in newly constructed hospitals.
5. Service sector industries like travel and hotel industry.
8. Hospitals.

Pune now has emerged major center for management institutions run by government, semi-government & private sector & represents a cross section which is applicable anywhere. Pune is a major industrial & IT center. Pune has govt., semi-govt., and private enterprises in various fields with great employment potentials.
1.6.2) Development and growth of Management Institutes in and around Pune

When we focus only on development of Management Institutes and growth of management education in Pune, we find that there is 60 times increase in the number of management institutes in Pune as on 2014.

Up to 1990 there were only three management Institutes (Pune University MBA, DES’IMDR, & Symbiosis) and today, we have about 180 management institutes in Pune Metropolitan area up to year 2014. Year after year numbers of management institutes is increasing. This is not at all good trend and there is possibility of sudden fall in demand for management education. (3)

Table 1.6.2 Growth of Management Institutes in Pune Metropolitan area from 1970 to 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Frequency</th>
<th>Cumulative Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970-80</td>
<td>01</td>
<td>01</td>
</tr>
<tr>
<td>1981-90</td>
<td>02</td>
<td>03</td>
</tr>
<tr>
<td>1991-2000</td>
<td>16</td>
<td>19</td>
</tr>
<tr>
<td>2001-2005</td>
<td>10</td>
<td>29</td>
</tr>
<tr>
<td>2006-2010</td>
<td>105</td>
<td>134</td>
</tr>
<tr>
<td>2011-2014</td>
<td>46</td>
<td>180</td>
</tr>
</tbody>
</table>

Figure 1.6.2 Large Number of Management Institutes In India over Producing Management Graduates

![Diagram](MBA Aspirants 500000 every year) -> (Large Number of Management Institutes 2500) -> (About 240000 Management Graduates)
Why large number of Management Institutes? 1980-1995

Figure 1.6.3 Large number of Management Institutes 1980-1995.

Large Number of Management Institutes during decade of 90 and 2000 can be explained as follows.

Due to LPG (Liberalization, Privatization and Globalization) demand for management graduates increased suddenly. To fulfill this demand government decided to spread management education through private institutes and state controlled Universities and deemed Universities. Hence figure suddenly went up to 2500+ by 2013-14.

Scope of Research study is focused on following main areas.

1. Growth of Management education and institutes in Pune and surrounding areas.
2. Growth of career opportunities and study of various careers available to management graduates.
3. To suggest means and ways to achieve balance between available number of management graduates and careers available.
4. Suggestion for improvement of structure and syllabus of management courses, so that MBA’s produced every year are of good quality and fulfilling market expectations (Employers Expectations)
1.6.3) Details of Respondents

Proposed study for career opportunities for Management students will include following stakeholders.

1. Study of entrant to management education (MBA aspirants)
2. Study of management Graduates on the campus from various management institutes.
3. Study of passed out management students with experience less than five years.
4. Study of passed out management students with experience more than five years.
5. To find out from employers about scope for management graduates.
6. To find out from Director of Management Institutes, through questionnaire about Career opportunities in near future.
7. Students of undergraduate colleges more precisely last year degree students looking forward for job opportunities.
8. Principals of undergraduate colleges for obtaining information regarding creation of placement cells for providing jobs for passing out students. Also arranging job oriented training programme for students.

In nutshell research was done by holding interviews with students (with management education), students (graduates only), employers, placement department of management institutes, experts, and principals through a brief survey.

1.7 Summary

Chapter begins with Introduction. I have explained why this topic generated interest in my mind. Why I selected Pune Metropolitan area? To support this, I have explained, Industrial and academic growth of Pune for last 30 years. Growth of Management Institutes in Pune is also mentioned in table 1.6.2. Research student has tried to explain expansion of management institutes in Pune with figure 1.6.2.Chapter ends with details of respondent’s details. The researcher has made efforts to collect reliable and realistic information to complete this research study. The researcher has tried to bridge the gap between what management institutes are offering and what is required by the professional world.
References -

1. Page no. 3 & 4, 1.2 Why study of Pune metropolitan area?
   And

2. Page no. 7,1.6 Geographical Limits of the Research Study

3. Page no. 8, 1.6.2 Growth of Management Institutes in Pune Metropolitan area from 1970 to 2014
   www.dte.org.in/mba