Chapter 1

Introduction And Background

To

Research
1. **Introduction And Background To Research**

The research under the title - ‘Managerial Competencies Development in Students: Analyzing the Business Schools (MBA) in the State of Gujarat’, is an exploratory study on the MBA and Equivalent programs offered in the state of Gujarat and focuses on empirically identifying the competencies managers (Managerial Competencies) need to perform managerial role successfully in Indian organizations.

As MBA programs are centric to industry and business, and are supposedly preparing their students for Management/managerial roles, this research has attempted to study and analyze some of the important factors that may affect the MBA program outcomes i.e. Managerial competencies development in context to industry needs.

The competency concept is pervading all the aspects of business and management in global MNC’s as well as Indian companies. Right from deciding business profile of the company, to performance & people factors like recruitment, training, performance monitoring/appraisal, leadership, are all being scaled on key competencies. Especially, ‘managerial work and role’ which is continuously changing and plays a vital role in a company’s success, needs very specific managerial competencies, to be performed successfully.

In Indian context very limited research work has been done on competencies that management programs (B Schools) focus upon and most of what ever research has happened on ‘B schools’ relevance’ is based on student perception of quality of teaching, satisfaction and such other parameters.

Other set of studies are based on the general ranking of institutes using the studies done by ranking agencies or government agencies like AICTE or UGC etc. These studies are essentially talking about the institution’s infrastructure, faculty strength and placement data etc. and are only limited to present output. It does not take into consideration direction, focus or tools being used to prepare students for the actual role that they are heading for.
The direction in which education is working and its impact on the ‘student competencies’ is generating a huge criticism of management programs and critics are crying out due to the long term impact of gap between management education and industry needs.

Business organizations across the country and globally are employing MBAs in huge numbers, paying them exorbitant salaries and offering them fast track career paths in management. With starting salaries reaching 1 crore P.A. and most of the CEO or top management positions, being held by MBAs, all looks to be perfect in the world of MBA education and its outcomes.

As “MBA & Equivalent Courses” are the only educational programs which claim to develop student’s ‘Management and business skills’ it has become very popular, among students and corporate. Today, it is the country’s most sought after ‘post graduate’ program with more than 3.5 lakh applicants participating and attempting admissions in MBA(equivalent) programs in approximately 4500 B schools across the country. This constitutes approx. 2.14 lakh students who appeared in CAT 2012 alone that just got concluded as reported by IBN New/TOI etc.

MBA is very popular among Indians; it has the third largest group of B-School applicants after the USA and China. (GMAC Report 2012)

In the last five years, the number of B-schools in India has tripled to about 4,500 amounting to as many as 3, 60,000 MBA seats, collectively. The fees for programs have also increased with the increase in the placement and other opportunities. From a few thousand rupees, leading B schools charge up to Rs20 lakh for the study programs and, even more if the programs include international study and degree as features. (MBA Planner - 2013 Business & Management Chronicle)

This surge in interest in MBA programs has made B schools and management education a major participant of the economy. With a lot of other linked participants like entrance exam preparatory centers, training agencies, placement agencies, survey agencies, web portals, business education has earned an industry status for itself. A recent independent report on Indian education market http://education.usibc.com in 2008 has placed the
market size of professional education including only, medical, engineering and management education at $7 billion and the entrance prep industry at $1.7 billion.

The fast track economic growth that Indian industry witnessed in the last decade made them ask for more and more talent to sustain and grow their business and B schools have been one of the most important providers of talent pool to industry.

On the individual level a successful candidate can truly gain several benefits in pursuing an MBA degree not only for his personal development but for his professional career as well. For one thing, he or she can acquire additional knowledge on business and a wide range of relevant aspects. The MBA program and business schools usually teach business strategies and concepts, in theory and in reality. And since an MBA course normally requires training and internship in some companies, a student can surely learn to use his skills in reality and in the daily business operations. An MBA program also enhances a student’s leadership skills because of the rigid training involved. Apart from the training, the assignments, reports, presentations and group projects done by students enable them to use their skills in handling business situations similar to what takes place in real life. The development of this ability promotes expertise and leadership in one’s chosen field.

But on the flip side the industry love for MBA is dwindling which is due to employability skills, retention cost and above all ‘reliability’ on their overall ability to lead the business. A recent ASSOCHAM (INDIA) report on MBA education has painted a very grim picture of MBA programs. It mentions that barring graduates from some IIMs, the B-schools are fast losing the shine of attracting corporate India Inc. for campus recruitment and are increasingly facing question of their survival. Despite the robust demand for MBAs only 10 per cent of graduates are actually employable, says a survey by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) 2012.

DS Rawat, Secretary General Assocham said that, there is no quality control, the placements are not commensurate with fees being charged, the faculty is not good enough and there is no infrastructure. And, about 160 schools offering Master of Business Administration (MBA) courses are expected to close this year.
May be this data can be seen as a factor of demand and supply and recent economic fall-outs that may be impacting B school prospects. But, at the same time the debate of what is the purpose of management education programs like MBA and what is its relevance has been questioned by management gurus like Sumatra Ghoshal, Henry Mintzberg, Porter and McKibbin report and researchers like Pfeffer& Fong, (2002), Hind (2007),Hahs (1999), and Jennings (1997) for a long time.

| 'Quality of management education offered by the Indian B-schools is out of sync with the times and not addressing needs of recruiting industry,” RC Bhargava, Maruti Suzuki chairman, ‘Indian Management Conclave 2012’, |
| “We teach students strategic courses and they join management institutes with expectations. But it is shattered when even after a huge investment of time and money they are not industry-ready. What is being taught is imported and irrelevant to the Indian scenario,” |
| TK Srirang, senior general manager, HR management group, ICICI Bank Indian Management Conclave 2012’ |

If observations from the recently concluded third edition of the ‘Indian Management Conclave 2012’- New Delhi, are to be taken seriously, there is a regeneration of management education that may be needed. The conclave brought together academicians and industry experts, who brainstormed on issues like quality of management education, faculty, international accreditation, market demands and opportunities in Indian business education etc. These participants reinforced that there is a long standing list of demands from the B schools and as B schools have business-organizations, student and community at large, as their stake holders, they need to serve their interests.

It is clearly evident that the impact of management practices and management learnings not just only impact graduates and their career but are going to have a great impact on the products, services, economy and society that we get as a result.
In his widely acclaimed paper ‘Bad Management Theories Are Destroying Good Management Practices’ Sumantra Ghoshal (2005) has squarely blamed the management education for the corruption and ethics problems that has created scandals like ENRON.

People performance is one of the biggest issues faced by organizations and the country today. Due to the highly competitive and globalized business environment even better-managed firms do not just need highly skilled workers but more competent managerial people to make better use of them; better educated managers will be a key component of the performance transformation (Bloom et al 2007: 10).

It is said that India is not an under developed country but an under managed country (DharniSinha). Management, its objectives, its decisions and orientation is going to have a long term impact on the entire state of our life.

Business organizations today face huge challenges like global competition and lightning-fast changes in business and technology. It is evident to us, how those organizations who were ‘market leaders’ just yesterday have lost markets, customers and fortunes pertaining to their people performance and ability to withstand change and competition.

The managerial education has to be able to deliver as per the needs of the industry and fulfill its role to prepare students to meet industry needs.

Today, managers are in great demand in every sector of the economy. India needs a huge reservoir each year of people who are trained for business and for management and this demand is to last for coming years. But it is matter of concern whether the demand is for what they have been taught. Sanjeev Kumar, M. K. Dash (January, 2011)

The ability of a B-school to place its students is determined by the value perception that the industry has about them. But I feel most of the B-schools are very low on quality and competence. This, overall, is shaking the confidence of all the stakeholders in the management education. Dr A Pande, VP-HRM, Hero MotoCorp
‘Management education’ is understood broadly to encompass education and development for managers (Richard Hall, RenuAgarwal, 2012). Managerial role for which the students are prepared has remained a matter of keen interest and research. What managers do and what makes them perform is of great interest to industry and academia alike. Managerial competencies are those attributes which have been causally related to superior managerial performance. So it is pertinent to know which managerial competencies are significant and how far they are being focused upon and the extent of their coverage in management programs.

There is a ‘continuous and growing’, feeling in industry and in academia that, the “managerial competencies”, needed to effectively manage/develop organizations and perform managerial role, are not being targeted with focus and covered during the MBA program. Hence, graduates lack the managerial competencies required for present and future organizational management.

Managerial Role, Work Environment AndCompetencies.

Concept of ‘competencies’, as a field of research has undergone many evolutions and has inspired a wide range of approaches that have the distinction of the time and place they were undertaken.

Of the several distinct organizational work roles, much of scholarly attention has been on the managerial role. Research has sought to identify ‘what managers do’ and how they influence organizational functioning. And, for effectively performing the managerial role which competencies are needed.


The concept of competencies and managerial competencies is neither static nor universal as it is directly linked to the managerial role which is contextual. The following model produced by ‘Mintzberg’ shows the variables impacting a management job in a given environment (Mintzberg, 1973:103)
Changing Business Environment And Changed Managerial Competencies

The need to manage business and management in this changing and complex environment requires behavioral skill beyond the technical or functional skills. This has brought the term ‘competency’ in prime focus.

The spread of the concept of ‘managerial competencies”, and the way ‘competency clustering’ is being used in corporate for recruitment, promotion, training decisions, has made competencies a very important and central concept.

The Business world is witnessing changes at a speed and spread, that has never been witnessed before, globalization, technology, transportation, communication, political, economic, labour mobility, changing customer choices, customer demands, availability of information, international regulation and trade practices are all having an impact on work and are changing the organizational structures, work practices and way of life.
In their widely acknowledged paper *Christopher A. Bartlett, Sumantra Ghoshal* have highlighted the changing managerial perspective as shown below:

Table 1 The Changing Managerial Role

<table>
<thead>
<tr>
<th>Changing Role</th>
<th>Operating-Level Managers</th>
<th>Senior-Level Manager</th>
<th>Top-Level Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>From operational implementers to aggressive entrepreneurs</td>
<td>From administrative controllers to supportive coaches</td>
<td>From resource allocators to institutional leaders</td>
<td></td>
</tr>
<tr>
<td>Primary Value Added</td>
<td>Driving business performance by focusing on productivity, innovation and growth within front-line units</td>
<td>Providing the support and coordination to bring large company advantage to the independent frontline Units.</td>
<td>Creating and embedding a sense of direction, commitment and challenge to people throughout the organization</td>
</tr>
<tr>
<td>Key Activities and Tasks</td>
<td>Creating and pursuing new growth opportunities for the business</td>
<td>Developing individuals and supporting their activities</td>
<td>Challenging embedded assumptions while establishing a stretching opportunity horizon and performance standards</td>
</tr>
<tr>
<td>Attracting and developing resources and competencies</td>
<td>Linking dispersed knowledge, skills, and best practices across units</td>
<td>Institutionalizing a set of norms and values to support cooperation and trust</td>
<td></td>
</tr>
<tr>
<td>Managing continuous Performance improvement within the unit</td>
<td>Managing the tension between short-term performance and long-term ambition</td>
<td>Creating an overarching corporate purpose and ambition</td>
<td></td>
</tr>
</tbody>
</table>

*Christopher A. Bartlett, Sumantra Ghoshal; The Myth of the Generic Manager: New Personal Competencies For New Management Roles California Management Review*
The old concepts of ‘jobs’ and ‘tasks’ is changing to ‘competencies’ and ‘teams’ to successfully perform and achieve results. Former ‘competencies’ are giving place to the new set of ‘competencies’ which are required to perform successfully in today’s organizations.

*In the new world of globalization, it is the quality of knowledge and research and skills which will give competitive advantage to a country and not cheap unskilled labour or even natural resources.*

**I G Patel (Former Director, IIM, Ahmedabad and London School of Economics; Former Governor, RBI)**

Challenging times for the global multi-business company demand a new managerial logic which encompasses elements of animating and assembling - techniques distilled from the practices of several leading edge companies to help businesses adapt to increasing disorder in their environment - in a major departure from the conventional wisdom of international management. **Mitchell P. Koza Director of the Centre for International Business Fuqua School of Business, Duke University, USA**

Lawler introduced the idea of a competency-based approach to replace traditional job-based human resource practices (Lawler, 1994). A review of workforce readiness studies by O’Neil, Allerd, and Baker (1997) found that both interpersonal skills (e.g. dealing with conflict, participating in group discussions) and communication skills (e.g. gathering and sharing information) are highly sought by current organizations.

However to align worker competencies rationally with job tasks, is one of the essential challenges of all work organizations (Marsden, 1999). These competencies consist of knowledge, skills and other behavioural dispositions necessary to reach desired standards of job performance, and they are developed through formal education and training or informal work experience.

A competency-based approach is claimed to be contingent on ‘the new working life’ where flexible work organization and loosely structured jobs are central characteristics (Lawler, 1994).
Indian organizations are rapidly organizing their recruitment, training, performance systems, appraisals and career development initiatives on competency-concept.

Below stated are some of the companies that have trained their managers on competency mapping and are continuously shifting their HR processes to be competencies-based:

*Hutch Orange, GE Capital, Pricol, DS Group, TCS, Novell, HCL Technologies, O & M, L & T, Help Age India, Cognizant Technologies, Cairn Energy India Pvt.Lupin Ltd., GAIL, L.G. Electronics India Ltd, Bharti Cellular, Thermax group, Sandvik Asia, MercuriGoldmann Pvt. Ltd., Exide Industries, Kochi Refineries, Infosys, Royal Enfield, Patni Computer Systems, Visteen India, Tata Tea, NIIT, IPCL, NALCO, Cadila Pharmaceuticals, Welspun India Ltd., Wockhardt ltd, Edutech Middle-east LLC (Dubai), Birla Cellulose, TATA AIG Insurance Company, HDFC Standard Insurance Co. TATA Cummins, ONGC, Indian Rayon, Wyeth, BPL Mobile Cellular, MICO, Philips, Power Grid Corporation, TATA Motors, Siemens Ltd., Mahanagar Gas, Srilanka Telecom (Srilanka), Bharat Electronics, IFFCO, Gati, HPCL, SBI Staff College, TNT, Action Aid India, Indo-German Social Service, Idea Cellular, etc.*

Change in the world order and trade systems, has definitely changed the business environment in which organizations exist.

- Rapid technological changes are changing the job designs
- Shift from production to service orientation
- Stiff cost control and competition handling
- High volatile markets and change in business
- Low learning time and quick action requirements
Table 2. Change InManagement Perspective.

<table>
<thead>
<tr>
<th>Element</th>
<th>Old System</th>
<th>New System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace Organization</td>
<td>Hierarchical</td>
<td>Flat</td>
</tr>
<tr>
<td></td>
<td>Function/specialized</td>
<td>Networks of multi/cross-functional teams</td>
</tr>
<tr>
<td></td>
<td>Rigid</td>
<td>Flexible</td>
</tr>
<tr>
<td>Job design</td>
<td>Narrow</td>
<td>Broad</td>
</tr>
<tr>
<td></td>
<td>Do one job</td>
<td>Do many jobs</td>
</tr>
<tr>
<td></td>
<td>Repetitive/simplified/standardized</td>
<td>Multiple responsibilities</td>
</tr>
<tr>
<td>Employee skills</td>
<td>Specialized</td>
<td>Multi/cross-skilled</td>
</tr>
<tr>
<td>Workforce Management</td>
<td>Command/control systems</td>
<td>Self-management</td>
</tr>
<tr>
<td>Communications</td>
<td>Top down</td>
<td>Widely diffused</td>
</tr>
<tr>
<td></td>
<td>Need to know</td>
<td>Big picture</td>
</tr>
<tr>
<td>Decision making Responsibility</td>
<td>Chain of command</td>
<td>Decentralized</td>
</tr>
<tr>
<td>Direction</td>
<td>Standard/fixed operating</td>
<td>Procedures under constant change</td>
</tr>
<tr>
<td></td>
<td>Procedures</td>
<td></td>
</tr>
<tr>
<td>Worker autonomy</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Employee knowledge of organization</td>
<td>Narrow</td>
<td>Broad</td>
</tr>
</tbody>
</table>


According to Van der Klink and Boon,(2002: 1) current uncertainty in employment contracts necessitate that employees have a ‘clear insight into their competencies and into the possibilities of maintaining or improving their professional competencies’.

Employers, on the other hand, are seeking multi-skilled employees, flexible enough to keep up with the pace of change and growth taking place in the workplace. Organizations therefore provide training so that individuals become more competent for effective performance in their jobs. In this scenario, the concept of competency is gaining more and more importance (Barnett 1994).
Management Education Evolution

Management education prepares a student for a managerial career, not a particular job. It is concerned with imparting knowledge, skills, work attitude, that is relevant for such a career and is concerned with developing capabilities to use this knowledge in problem analysis, diagnosis, anticipating events, etc. and in decision-making. Preparation for a managerial career also involves self-appraisal on the part of the decision maker and direct concern for societal values.

‘AICTE report (9th January 2012) on PGDM ‘Model Curriculum’ identifies the program objectives - to provide a general management perspective to the candidates, with an appreciation of the theoretical frameworks, analytical methods required for functioning effectively and efficiently as a member of the management group.’

Management education has to provide strong conceptual and theoretical orientation but the student should also be able to use the concepts in his day-to-day work. There is persuasive data to suggest that understanding the concepts does not always guarantee use of these concepts in dealing with day-to-day situations. The process of transfer of knowledge to action is a distinct and independent exercise. A doctor is not the best patient. Nor is a child psychologist the best parent. Hence, the management study has to be concerned both with the study of concept/theory and a discipline of mind to use this knowledge at work. Apart from this, a professional program should provide opportunity to students to reflect on their own motives, strengths and weaknesses.

Professionalism is characterized by an orientation to decision making, not necessarily by an academic degree or qualifications. A professional is guided by ethics and values that he must apply to his decision situations, not partisan considerations. A body of knowledge equips an individual for the tasks that he/she would have to undertake but acting as a professional is a commitment to a set of choices that he/she must apply to situations at work. Management education as a professional program of study should prepare a student to take on managerial responsibility as a professional. In the emerging context, educational programs should prepare a student to deal with the national as well
as global issues with understanding of cross-differences. In substance these are some of the concerns on education for management.

Management programs from their origin till today have gone through large contextual and constitutional changes. Changes in Management programs value chain has been depicted for American institutions as in the table below:

Table 3. Changes In Management Education Value Chain

<table>
<thead>
<tr>
<th>Knowledge</th>
<th>Corporate Based (Pre-1950s)</th>
<th>Faculty Based (1950–1999)</th>
<th>Student Based (2000 &amp; Beyond)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation</td>
<td>Business lessons Professionals</td>
<td>Theoretical/empirical PhD faculty</td>
<td>Modular units Mixed faculty</td>
</tr>
<tr>
<td>Assimilation</td>
<td>Limited physical libraries</td>
<td>Expanded mgmt. books/journals</td>
<td>Digital libraries</td>
</tr>
<tr>
<td>Geographic Distribution</td>
<td>Local</td>
<td>Regional/national</td>
<td>Global</td>
</tr>
<tr>
<td>Key Events</td>
<td>Ford Foundation Industrial Revolution</td>
<td>Media rankings Electronic databases</td>
<td>Internet proliferation Knowledge revolution</td>
</tr>
</tbody>
</table>
Key changes in the MBA Landscape:

With the change in the demands from corporate, business environment, Knowledge explosion and student career focus are leading a large number of changes in the entire approach and functioning of MBA programs:

(1) From academic orientation to professional orientation: In the last 20 years, management education has been academically oriented emphasizing theoretical research and modeling. However, since the mid-1990s, there has been a trend in management education shifting from academically-oriented training to a professionally- oriented development focusing on practical skills of management. Cases from local enterprise management and problem-solving projects have been edited and taught at the MBA programs.

(2) From general knowledge learning to competency development: The second trend of management education is that more and more universities and schools are paying full attention to management competency development rather than general knowledge learning. External supervisors are invited to give seminars. Multiple modules of organizational behavior and human resources management are recommended as core curriculum of MBA programs.

(3) From technical orientation to managerial focus: Traditionally, technical training and "hard" knowledge such as operational research were seen as the core of management science. In recent years, more and more people have realized that "soft" part of management such as process skills are crucial for sustainable management development. In management education there is a clear shift from the technical orientation to a managerial focus.

(4) From a common program to an adaptive curriculum planning: Management education is shifting from "universal" and common program design to an adaptive curriculum planning in the sense that management training programs are more and more tailor-made to fit specific needs of enterprise development.
(5) From "one-shot" training to strategic distributive development: i.e. management training programs are increasingly using a strategic distributive model. Instead of traditional "one-shot".

Various Models Available For Management Education In India

MBA / PGDM / PGPM Education in India:

1. Universities' Own Departments in Campus: Only universities can give degrees like MBA. Face challenges like curriculum redundancy, budgetary constraints, bureaucracy, infra-structure, student intake and a lot more. Deemed universities and state private universities are sometimes better placed with high level of autonomy and financial support.

2. Affiliated Colleges of Universities in Same Place or the State for MBA: Now technical universities have been given this role like GTU in Gujarat. But most of them are having poor or no infrastructure at all, with typical bureaucratic and politically appointed people directing the education, affiliate colleges own objectives, ability, are many factors that affect its outcomes.

3. Autonomous Institutes (No Uni. Affiliation) that Give Diplomas: They have to be necessarily approved by AICTE as per law and also in interest of students. It also would not be out of place to inform that PGDMs are not at all equivalent to MBA. Only those institutes' PGDM is equivalent as MBA degree, who have been declared so by AIU (Association of Indian Universities) or Ministry of HRD, Department of Higher Education. As a new trend the growth of such intuitions has been the most startling. Corporate B schools and many new initiatives are coming through this rout.

4. Universities Running Distance Education Program: Open-mode universities like IGNOU Delhi, Kurukshetra University, Annamalai University, and several other universities in India, being in distance mode. Distance education in India is generally of very low quality except the trend changers who have opted for highly technology-interfaced learning mechanism which is a new phenomenon.
5. Short-term PG Diplomas: Many institutes give one year, and one and a half year PG diplomas to by-pass legal requirements of approval. Many universities also give such one year diplomas on distance education or in evening campus class modes vocational certificates.

6. Part-time 2/3-years MBA / PGDM Program: These are run by recognized institutes and universities in evenings and serve well for working executives.

7. Foreign Universities: Most of these universities have collaborations in India and many conduct student-exchange-programs with limited-time studies abroad.

8. Private and Nonaffiliated: There is a big growth that has happened in the number of private players who provide 1/2 years certificate programs in Business management and are offering those on their own brand credibility.
MBA Outcomes And Challenges

The Indian management education is undergoing a paradigm shift in its scope and essence. However any progress comes with its own quiver of challenges.

The 2012 GMAC report on India’s job trends reveals a huge demand for quality personnel. MBAs and ‘Experienced industry hires’ top the wish list of potential 2012 recruiters with 88% of the companies’ surveyed planning to hire. At the same time, just 79% of the global respondents’ indicated a desire to hire MBAs in 2012. This demand is reflected in the fact that above 25% of IIMA’s PGP class of 2012 received offers even before the placement process started.

An analysis of B school placements recently published by MBA universe on http://www.mbauniverse.com/article/id/6849/ states- As most of the B-schools tend to complete their campus placement during the months of February-April every year, the early trend on final placements 2013 suggests that more companies are heading to top B-schools than the last year. The recruiters, however, are taking a cautious approach and the number of offers per company has come down.

Premier MBA – Largest Salary Increase

The GMAC report clearly indicates why an MBA is very popular among Indians, the third largest group of B-School applicants after USA and China. MBA graduates from premier Indian Business Schools report a massive 213% increase in salary post-MBA as compared to a 75% increase in USA and a 71% increase in China.

With regards to placements, BFSI, IT, Consulting & FMCG continue to be favorite haunts for India's top B-school graduates as they accounted for almost 70 per cent of B-School recruiters. In terms of average salaries, India's top B-schools saw an average increase of approximately 20 per cent in 2012

Another ranking portal claims that for 2nd and 3rd rung B schools placement -The buzz inside B-schools this year is that 2013 is the worst placement season India's MBA programs have ever seen, even worse than 2009. ApurvPandit in PaGaLGuY B-School Rankings 2013, B-School Rankings, PaGaLGuY B-School Rankings on 30 March '13
The Ranking Business Of ‘B Schools’

The ranking of management institutes has become a latest business fad and compulsion and today approximately 40 odd ratings and ranking agencies of B schools are available in print and online and there is a huge business of perceptual reporting which is painting the rosy MBA picture for the student. B schools are putting in money and unverified data is many times used to race ahead in the survey position.

This entire focus on placement and rankings are leading to a very narrow approach to management education which is devoid of academic values, academic interest, and excellence and over all development of students.

Even those institutes who were set up with the objective to be a “center of excellence” are getting into this ranking agenda.

Leading authors are criticizing the rampant use and misuse of this ranking business of B Schools as this is essentially shifting the entire focus from the long-term contribution that B schools need to make to lead the society and business.
The Challenges Of B Schools Are On Some Level Global And On Some Level Local

B-schools must improve their delivery system (Bala Balachandran, Kellog professor of management and founder of Great Lakes Institute of Management).

“B-schools need to realize that the era of sub-standard academic delivery is over”
Amit Agnihotri chairman, MBAUniverse.com

There are over 3000 B-schools in India but most of them, unfortunately, are not able to produce industry-relevant graduates. I feel the crisis which MBA Education is passing through is a result of several lacunas into various key elements of management education such as curriculum, pedagogy, training, industry-exposure amongst other things.

Dr A Pande, VP-HRM, Hero MotoCorp

One of the key challenges most premier B-Schools face contemporarily is that of faculty competency development and the corporate needs should well be echeloned in the management education curriculum by putting more emphasis on practical exposure and execution skills, as against just theory.

Graduate business education is about training decision makers and business leaders. As such, while there is a crucial content-based element to this, equally, if not more important is the contextual element.

The Indian educational system is rooted in the traditional teacher-centric model that has prevailed for generations. While this approach has its place, there needs to be awareness of other pedagogies that can effectively supplement traditional approaches. This places a significant burden on faculty who may have been trained in the traditional paradigm and/or are more comfortable with the traditional teacher/student hierarchy common throughout Asia.

Vijay R. Kannan Decision Line, October 2008
1.1 B School Objectives – A study

(As described by Institution heads and mission statements of well-known Management Institutes of Gujarat: (Compiled by the researcher)

Before embarking on the research the researcher complied and studied the objective of the management programs as stated in the mission statements and the director messages from all leading B schools of Gujarat.

The management program in the School endeavors to instill not only just analytical and decision-making skills but also inculcate the virtues of social responsibility and ethical outlook. The School aims at imparting holistic management education in order to prepare the students for a dynamic environment and provide them with the skills required to be successful in any business area.

Dr. SarlaAchuthan -Director.
B.K. School of Business Management (Gujarat university)

We try to equip our students with the appropriate mind set, skill set and tool-set. This helps our students to acquire a portfolio of capabilities to meet demands of the changing business landscape.

Prof. (Dr.) G. C. Maheshwari
Dean - Faculty of Management Studies, Baroda

We at SPM recognize that a professional programme in management at postgraduate level must equip students with clear concepts in every functional area of management. Understanding of business and associated issues, and exposure to industry practices are equally important for a successful managerial career. The curriculum at SPM is carefully designed and delivered to impart conceptual knowledge, provide in-depth understanding of industry and enhance soft skill capabilities.

Hemant C. Trivedi, Ph.D.
Director PDPU MBA Gandhinagar
To be one of the best business schools in the Asia Pacific Region by developing leaders and entrepreneurs through cutting edge and relevant management education and development, conducting applied research, and preparing instructional resources.

Nirma Univ. Ahmedabad

Corporate world constantly demand individuals who are well equipped to face and successfully overcome the challenges thrown up by the dynamic environment. All business are looking for employees who are capable of coping with such demands and possess flexibility coupled with creativity required for dealing with various situations.

RK University Rajkot

The Program provides a broad perspective of all areas of management. The courses offered in the program are practice oriented with emphasis placed on application of principles, tools and concepts to meet challenges and problems faced in today’s organizations. These courses are carefully designed to impart to students a managerial perspective in formulating and implementing corporate strategy.

IBS Business School

The business scenario is fast changing. The young managers and professionals are required to work in a seamless, boundary less and hyper changing global environment.

We, at TIMS, are conscious of the expectations of the industry & the students and are fully geared up to meet the same.

To achieve an all-round excellence, we strive to create a learning culture with emphasis on creative and analytical mind frame. TIMS spares no efforts to make the curriculum relevant and deliver it in the most effective manner helping the students to acquire KSA - Knowledge, Skills and Attitude.

Dr. SampadaKapse
Director
TIMS Gandhidham
To create a conducive environment for the learning and practice of management, through recruitment of the right students and faculty and provision of the right infrastructure, so as to prepare them future ready for leadership roles in the industry and society.
Shanti Business School, Ahmedabad

The MBA at AURO is intended to provide students with the knowledge, skills and attributes needed to make critical decisions in the future, where they will lead teams and manage businesses. Students learn not just theory, but how to apply cutting-edge concepts to real, relevant and live business problems.
The AURO MBA program is rigorous with a constantly-evolving curriculum, teaching students how to work more effectively, efficiently and with greater creativity in the workplace - attributes that successful companies not only look for, while recruiting but also reward through promotions.
AURO University - Surat

To develop lateral thinking and inculcate skill, value integrity, and ethical standards so that they are better equipped to address the challenges of global competition.
To develop a global mindset to address contemporary business issues like globalization & convergence, creative problem solving, leadership and innovation in strategies.
To develop an all-round personality, integrated with the very best of the Indian values and civilizations.
United World School of Business
Gandhinagar

With a holistic course design, our programme of Post Graduate Diploma in Management (PGDM) is all set to groom a generation of world-class business leaders in the corporate, business and nonprofit sectors.
Sankriti School of Business
Vadodara
To Generate a body of knowledge pertaining to successful Indian Management Practices through research and consultancy. To consolidate and strengthen the facilities for research studies in the field of business & industrial management.

To work as a "Change Agent" to local industries/organizations.

South Gujarat University - MBA
Surat.

Study output

The study confirms that all the B Schools clearly state that their objective is to prepare students

- To successfully manage industry and business. (but not ‘a’ specific business and industry)
- To have latest industry knowledge, skills and right attitude to fulfill their role.
- To be prepared for managerial and leadership role in industry.
- Provide relevant management education and practice to the students.
- For a long career not limited to first placement.

This forms a clear basis for the research to analyze and relate industry ‘managerial competencies’ needs with the B School variables like faculty understanding of Industry Needs, Curriculum Design & Teaching (Pedagogical Practices).
1.2 Assumptions for the Research Study

This research attempt is a timely and presents a different way/approach or rather brings many approaches together, to assess the relevance of management education and its potential output.

The study used a variety of primary and secondary sources of data to organize the entire argument, do analysis and give out recommendations. The research explored a list of key research questions, using data tested 3(three) hypothesis. The research questions and the hypothesis helped the researcher to come close to know the structure, issues, challenges, limitations and some solution in regard to management education outcomes and building meaningfulness for the industry.

Key assumptions for studying the variables are:

- The faculty understanding of the corporate managers’ work and role is important in teaching the content of the subject in the right application perspective. Otherwise, the student would not be able to form theory - application linkage.

- It is well established science that development of knowledge, skill or behaviors needs difference in pedagogical approach. Hence, the tools used for management education play an important role in the development of students’ competencies.

- Curriculum is a “design of development”, which sets the direction, provides key inclusion and weightage to what is to be taught and it impacts the behavioral and knowledge competencies of students in a very considerable way.

- Work styles are key to success of any individual and are reinforced by the teachers by placing reward, appreciation; punishment etc. to drive the right work approach hence knowing what work styles are being promoted by teachers and what is expected by industry will provide a key set of input for improvements.
Management Education key variables for the development of Competencies:

The assumptions discussed above can be summed up in a diagrammatic form as below, this is a model which has been prepared by the researcher to become the guiding factor in the whole research process. The models can offer an integrated approach to approach the challenges of developing managerial competencies in management students.

Figure 2. Key Variables For The Development Of Competencies in students

The study is being designed to take a closer look and empirically identify the issues that are key to the Managerial competency development needs and MBA Programs in the context of providing better equipped managerial workforce to the industry.
1.3 Conclusion of Introduction

- Managerial competencies are those managerial work-related needs which impact individuals’ managerial performance. These needs are dynamic and they change over a period of time with the change in business environment, context and business style hence need continuous study and mapping.

- B schools have to meet the long term needs of the industry by building key competency strengths in the students in consideration to the role they play in industry. Rather than just prepare students with cosmetic changes to get them placement and entry in the business organizations.

- Managerial competencies and competency based educational outcomes have become credible and researched agenda and all leading economies of the world have adopted this approach to structure their educational initiatives.

- Management education has essentially three important pillars. Curriculum, faculty and Teaching Practices (Pedagogy) that creates a differential in their outcomes. The need of the hour is to know what is happening on the three sides and take key initiatives. This is one of the most important aspects which will have significant benefits to deliver of Managerial competency outcomes.

- B schools would have to make identification of the output they are generating not just using a placement yardstick but to map the capabilities of their graduates with the long term needs of the industry.

- It has been observed from the statements of the B school institution heads and mission statements that they intend to prepare students to be capable of leading business and industry by inculcating needed knowledge skill and competencies required to perform their role.

- To fulfill their promise they must have a very clear view of the industry ‘managerial competency’ needs profile, to lead their action.

- The interlinking of faculty understanding of industry needs and strong interface is rather more important than student industry interface.
• The in-depth understanding of teaching pedagogy and its impact of student managerial outcomes need to be mapped to practice the desired methods and mastery in those methods.

• The curriculum which guides the entire effort should lead the entire path to put the right and measured focus so that a right blend of quantitative and qualitative input should be available to the learners.

• The ecosystem of management education should reflect the values, purpose, significance, objectives and outcome it wants to attain for its stakeholders namely, students, industry and society.
1.4 Publications

**International publication**

   http://www.singaporeanjbem.com/VOL_2_(1)_SG.php
   ‘Managerial Competencies’ in Indian Business Context – An Empirical Analysis
   Prof. Prashant Saxena And Dr. Mrs. Shilpa Bendale

2. Building Green Competencies In Future Managers-Green MBA For Sustainable Development - Prof. Prashant Saxena*; Dr. Ms. Shilpa Bendale**
   Excel International Journal of Multidisciplinary Management Studies - ISSN 2249-8834
   EIJMMS, Vol.3 (7), July (2013) Online available at www.zenithresearch.org.in

**National Publication**

   Managerial Competencies Required In Hotel Industry: What Hotel Management Education Need To Focus At? - Prof. Prashant Saxena

   Globalizing Indian Management Education Transition From Curriculum To Competency Based Education - Prof. Prashant Saxena

**Conference Papers**:

- Symbiosis Institute of Management Studies Annual International Research Conference SIMSARC 13. Pune
- Nirma Institute of Management- PhD Researchers conference – Anvesh 2013
- International Conference on Technology and Business Management (ICTBM-13) American University in the Emirates (AUE) Dubai.