Chapter 2

7p's of Marketing of Management Institute
SYNOPSIS

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7P'S OF MARKETING OF MANAGEMENT INSTITUTE

2.1 Product in Marketing of Management Institute

2.1.1 Introduction

The product in the education service market is the “package” offered to students in terms of the topics to be covered, the extent of coverage, number of classes, the duration of the course, quality certifications like ISO 9001:2000, National Board of Accreditation (NBA), National Accreditation and Assessment Council (NAAC), European Quality System (EQIS), Association of American Collegiate School of Business (AACSB), the attention given to each student etc., For example, if an institute offers a program in communication technology, it is essential that it offers courses on the latest technologies in the industry. This would help the institute attract students and also to charge high fees. It is therefore, offering the right product assumes a lot of significance. The ranking of the B-Schools also depend upon types of courses/specialization and duration of these courses play.

During the late 1960s and early 1970s, functional specializations started emerging in the business world, with emphasis on functions like finance, marketing, human resources and operations. These specializations were largely provided in the third and fourth semesters of MBA curricula, after staple inputs in core courses in MBA programmes. These specializations aimed at creating functional managers in their specific areas and their growth was largely in the continuum of that specialization.

After the media first introduced ranking system for business schools in 1988, business schools appeared more proactive in making changes, although they focused primarily on product tinkering, packaging and marketing. Subsequent to this, the popularity of MBAs rose. Global competition, emergence of consulting business and internet based transactions are changing the product offerings in management education. The trends of evolution of management education indicate that knowledge creation is becoming
more students based. This will usher in a variety of changes, including, paradoxically, a trend towards closer interaction among industry, students and faculty. E-learning and computer based learning packages are making inroads slowly. A recent study has concluded that although the creation of knowledge will always be an important mission for business schools, other organizations are developing more formal management programmes and creating knowledge; this may cause a shift in strategy as schools become more focused on gathering and sharing, rather than on creating knowledge. It is important to recognize that knowledge creation is taking place not only in ivory towers, but also in corporate boardrooms. Computer based tools and technologies are being used for themes where content is crucial. On the other hand, themes that is rich in tacit knowledge such as leadership, entrepreneurship and multicultural sensitivity experiential contexts are being generated for bringing teaching closer to real life. Thus, business schools are focusing more on gathering and sharing new knowledge. Many niche organizations and global consulting firms are increasingly becoming the source of creation of management knowledge. It is clear that management education will emerge as one of the main focus of higher learning, as service economy takes precedence over other segments. Three roles are getting differentiated, viz., management knowledge creation, knowledge gathering and knowledge sharing. This will change the face of management education further. A recent study on management education has shown that there will be a fundamental shift in business school product offerings away from traditional MBA programmes to more part-time programmes and education within corporations and in people’s homes. The anticipated shift in primary product offering by business schools is schematically shown in fig 2.1
The future of the business school is highly topical issue, as it is a growing business. The global education and training market will continue to be the area of growth. Short courses offered by consulting companies are emerging, as alternative business schools and the research conducted by various professional service firms are becoming alternative sources of business research. It has been stated that business schools, if they have to survive, they have to focus on research to solve problems of enduring importance and to build such curricula that can actually prepare students to be effective in practicing the profession. This is with reference to the role of business schools. On the other hand, a recent report on financing of universities has stated that when universities depend on taxpayers, their independence and standards suffer. Under-priced goods and services are usually wasted. Flexibility in setting sources of income is necessary for inducing business schools to compete “standards”.

Source: B Bowender, S L Rao, Management Education in India: its evolution and some contemporary issues, AIMA, Excel Book Private Ltd, New Delhi
Competition will make business schools continuously evolve and develop relevant and result-oriented curricula and teaching tools. Such is the scenario of global management education market.²

On the cusp of the millennium, we saw the emergence of the dot.com era, electronic commerce, which led to another new specialization in MBA programmes - that of e-commerce. With the tide ebbing on the Internet, popularity of such programmes has also diminished.³

The late 1980s and early 1990s saw steady growth of computer systems and information technology and therefore, I.T specialized MBAs emerged or even hybrid IT and management programmes came into fore. This catered for managerial talent in the IT world.

However, in the circa 2005, there are some sectors that are driving the economy, such as oil and gas, power, aviation, port and shipping and mining. These sectors are red hot and need specialized managerial talent, which is also well versed with domain knowledge of the sector.

The sectorial schools, which are offering a series of highly focused programmes relevant to the industry, are as under.

2.1.2 Specialized Courses / Sectorial B-Schools

MBA (Oil and Gas Management) programme develops managers with a through understanding of strategic business issues in the entire hydrocarbon value chain.

MBA (Upstream Asset Management) Programme equips the students with skills to manage and maximize upstream assets, such as basins and reservoirs. MBA (Power Management) programme provides young managers equipped to handle the new and old issues pertaining to the sector. The programme develops students' skills and abilities to apply management theories and concepts, live problems of the power industry across the spectrum of generation, transmission and distribution of power.
MBA (Aviation Management) programme prepares students on the application of modern management concepts, methods and tools, to the challenges of the aviation industry. MBA (Port and Shipping Management) programme is designed to lead the aspiring managers into the essential management skills required today to meet the challenges of the ever-growing and increasingly complex shipping industry.  

The sectoral specialized MBA programmes provide the Unique Selling Proposition (USP) of domain knowledge and managerial expertise to potential employers. By employing such talent, which is productive from day one. The challenge of course is to provide the right mix of educational content and practical experience at the campus to prepare the managers for their tasks.

An educational institute has to ensure that its syllabi are comprehensive and up-to-date, covering the basics of the subject and related current issues as well. For example, the economic syllabus of a graduate course should not only discuss the micro and macro economics, but also the economic reforms process in countries like India and China and their implications. As more and more new and unconventional areas are offering job opportunities, education service markets are required to introduce the necessary changes in the curriculum to equip the students' suitability. For instance, service provider in India and Eastern Europe are introducing course on foreign languages, soft skills, personality development and communication skills as part of their curriculum, sensing the huge opportunities in BPO industries.

To grow in the market place, institutions can adopt different strategies. Existing institutes can introduce new courses in unrelated areas also. For instance, the Indian Institute of Technology (IITs), well known in the field of technology education, introduced courses in management in the 90's, leveraging on their success and brand name. Now they are ranked among the top institutes in management education too.

Specialized programme like the one offered by the Bharti School are springing up all over the country. Of course, specialized schools, which focus on a particular sector or a function, aren't entirely new. The Mumbai based NITIE, for instance, has been
offering a Postgraduate Diploma in Industrial Engineering since 1963. The Institute of Rural Management (IRMA), Anand, was NDDB chairman Verghese Kurian’s dream project. The father of India’s White Revolution wanted management graduates for Operation Flood. He recruited some general MBAs but felt that something was lacking. Under his guidance, IIM Ahmedabad and National Dairy Development Board (NDDB) got together to set up IRMA in 1979.7

But today schools that have focused on more mass-based general management are increasingly spawning new, niche programmes. Gurgaon-based Management Development Institute (MDI) started a P. G. Diploma in Human Resource Management. The Mumbai-based K. J. Somaya Institute of Management Research has just kicked off a course in Retail Management in association with Pantaloon. It is also planning a dedicated course in Banking. Welligkar Institute of Management, through its e-business MBA, offers vertical specialization in Telecom and Healthcare along with regular management course, and has also started a pure Retail Specialization.8

S.P. Jain Institute of Management and Research (SPJIMR) in Mumbai spotted the hunger of 25,000 medium enterprises, more than 95% of all these firms are family owned. To satisfy their hunger, SPJIMR started a management course for such family-managed businesses. Today, SPJIMR runs a two-year course on Family Business Administration (FMBA) is more important and more socially relevant. National Institute of Industrial Engineering (NITIE), a stronghold of engineers, has drafted a proposal to kick off a Healthcare Management course from next year, provided it gets government go-ahead. Telecom, Insurance, Healthcare, Hospitality, Banking, Plantation and now even Airport, Construction and Ports—there’s a management course for literally every sector!9

Business houses are in search of more talent with more specialized training. RPG Life Science was looking for MBAs who understood the Pharma industry. It picked up graduate from Pune University’s MBA programme in Biotechnology.
Institutes are now looking to provide management education in frontiers of new technology. It could be Telecom, Biotech, Bio-informatics, and even Consultancy Management.

Aware of the talent crunch, most IIMs and other reputed B-Schools have now started courses on commodities and agri business. Simultaneously, both the commodity exchanges – MCX and NCDEX – have tied up with B-Schools to create courses around commodities.10

Tables number 2.1 and 2.2 gives the brief information about the various courses/ or specialization offered by the institutions in India.

<table>
<thead>
<tr>
<th><strong>Table 2.1</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Retail</strong></td>
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<tr>
<td></td>
</tr>
<tr>
<td>Insurance</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Telecom</td>
</tr>
<tr>
<td>HRD</td>
</tr>
<tr>
<td>e-business</td>
</tr>
<tr>
<td>Family business</td>
</tr>
<tr>
<td>Services</td>
</tr>
<tr>
<td>Healthcare</td>
</tr>
<tr>
<td>Hospitality</td>
</tr>
<tr>
<td>Biotech</td>
</tr>
<tr>
<td>Banking</td>
</tr>
</tbody>
</table>

# Table 2.2

**TOP SECTORAL M.B.A. INSTITUTES**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.I.F.T – New Delhi</td>
<td></td>
</tr>
<tr>
<td>N.I.T.I.E – Mumbai</td>
<td></td>
</tr>
<tr>
<td>Institute of Rural Management Anand (IRMA)</td>
<td></td>
</tr>
<tr>
<td>MICA- Ahmedabad</td>
<td></td>
</tr>
<tr>
<td>Indian Institute of Foreign Management- Bhopal</td>
<td></td>
</tr>
<tr>
<td>Indian Institute of Plantation Management- Bangalore.</td>
<td></td>
</tr>
<tr>
<td>I.H.M.R – Jaipur</td>
<td></td>
</tr>
<tr>
<td>Indian School of Mines- Dhanbad.</td>
<td></td>
</tr>
<tr>
<td>V.G.S.O.M – I.I.T – Kharagpur</td>
<td></td>
</tr>
<tr>
<td>Delhi School of Economics.</td>
<td></td>
</tr>
<tr>
<td>I.I.T.-Delhi.</td>
<td></td>
</tr>
<tr>
<td>Shailesh Mehta School, IIT, Mumbai</td>
<td></td>
</tr>
<tr>
<td>University of Petroleum and Energy studies.</td>
<td></td>
</tr>
</tbody>
</table>

Source – Parag Diwan “Emergence of Sectoral MBAs” - Business World, 6th September-2004, pp-43

Marketers also attach some supplementary services to augment the product and enhance the service experience of the customers. For examples, dance, yoga, art etc are included in the curriculum in many schools as they are expected to improve the overall development of students. In fact, today’s children and their parents expect the schools to offer some of these supplementary services like health education, sports training, career planning guidance, coaching for competitive exams etc. If an institution ignores the role of these additional services, it may lose out competitors who offer them.

The product mix can be altered to suit the different needs of various customer segments. For instance, Jawaharlal Nehru Technological University, A.P, (JNTU)
offers full-time M.Tech, correspondence M.Tech and summer M.Tech in the same discipline. These three variations of the same course are targeted at different customer groups of students, employees and academicians. However, certain issues have to be taken care of while designing different variant of the service package. For example, one product should not be a direct competitor for another offered by the company. Cannibalization (one product eating the market share of another in the mix) should be avoided.

2.1.3 Duration of the Course

Radical and innovative thinking and an enlightened vision have got some of the B-Schools, far ahead of the rest. MBA of tomorrow will be radically different from what it is now or had been in the past. Future MBA programmes will continue to reflect the basic choices seen today: the one-year degree, which often dispense with core programme in favor of specialized courses tailored to specific career paths, and the more traditional, two-year extended MBA programmes; which have been the basis of graduate business degrees for decades. But crucially, the composition of the MBA degree, and how it is acquired, will change significantly over the next five to ten years. The perceived value of management graduate has changed considerably in the students community and with in the corporations that hire MBA graduates, by thousand every year.

All the top B-schools are finally walking up to the reality of catering to a burgeoning professional population seeking to acquire MBA qualifications, something which global schools had recognized years earlier much to their delight. IIM-A has joined race offering a matching one year MBA programme aimed at wooing young working executive rivaling the ISB, Hyderabad the true pioneer in this sort of high priced executive MBA education of one year duration. IIM Kolkata had already introduced its one-year executive MBA and MDI has on the drawing board a similar MBA. The Table number 2.3 gives the information about the institutes who are offering one-year MBA in India.
Table 2.3
List of institutes offering one year programme

<table>
<thead>
<tr>
<th>Programme</th>
<th>Name of the Institute</th>
</tr>
</thead>
<tbody>
<tr>
<td>One year eMEP Post Graduate Certificate in Sales and Marketing</td>
<td>IIM-Kozikode</td>
</tr>
<tr>
<td>One year eMEP Post Graduate Certificate programme in Management</td>
<td>IIM-Kozikode</td>
</tr>
<tr>
<td>Post Graduate Certificate in Sales and Marketing</td>
<td>ISB-Hyderabad</td>
</tr>
<tr>
<td>One year Post Graduate Programme in Management</td>
<td>S.P. Jain Institute of Management and Research</td>
</tr>
<tr>
<td>One year Post Graduate Diploma in Management (Dubai Campus)</td>
<td>S.P. Jain Institute of Management and Research</td>
</tr>
<tr>
<td>One year Certificate Programme in Social Work</td>
<td>Tata Institute of Social Science</td>
</tr>
<tr>
<td>One year Advanced Certificate in Social Welfare Administration</td>
<td>Tata Institute of Social Science</td>
</tr>
<tr>
<td>One year Post Graduate Diploma in Education Management</td>
<td>Narsee Monjee Institute of Management Studies</td>
</tr>
<tr>
<td>One year Diploma in Management for Voluntary Service Organization (part time)</td>
<td>Narsee Monjee Institute of Management Studies</td>
</tr>
<tr>
<td>One year Executive MBA PGP in Management (PGPX)</td>
<td>IIM-Ahmedabad</td>
</tr>
<tr>
<td>One-year Post Graduate Programme (equivalent to MBA) for Domestic and International Executive</td>
<td>IIM- Ahmedabad</td>
</tr>
<tr>
<td>One year Post Graduate Programme in Management for Executive</td>
<td>IIM- Ahmedabad</td>
</tr>
</tbody>
</table>

S.P Jain, Narsee Monjee, XIM -B, IMT Ghaziabad and ICFAI Business school, Hyderabad among others are in the race for introducing Evening MBA, Part-time MBA and distance education MBA to cater to this professional population with deep pockets. The lure is also that none of these MBAs would need a leg up on the job front as they are either laterally placed or just don’t need a fresh job as they go back to their companies expecting better prospects with their newly minted MBA.

Symbiosis Institutes of Business Management (SIBM) came out with the innovative ways to absorb more students with the proposal to start two academic years i.e. one in January and other in June. The move to have a two academic sessions could be a trendsetter in India.¹¹

Table 2.4 gives an idea of duration/type of MBA programmes offered by the number of B-Schools in India in terms of percentage.

<table>
<thead>
<tr>
<th>BOUQUET OF COURSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Percentage of Institutes</strong></td>
</tr>
<tr>
<td>Evening MBA</td>
</tr>
<tr>
<td>Executive MBA</td>
</tr>
<tr>
<td>Distance Learning</td>
</tr>
<tr>
<td>E-learning</td>
</tr>
<tr>
<td>Global Courses</td>
</tr>
</tbody>
</table>

Source – A.Thothatari Raman “The Way to go” – Business India, October 24 to November 6, 2005 pp-86.

Besides offering the regular MBA programme, the institutes have started offering different types of MBA programme, catering the different segment of the consumer. It
is clear from table 2.4 that the evening MBA and distance learning MBA are having 14% share respectively.

There are other drivers of changes too. Affordable, highly focused and time efficient version of MBA degree has replaced some multi year course of study. Although two year programmes are still the norm of most business schools. Accelerate and specialized one year programmes are seeing increase in enrolment. How will that change the profile of MBAs of tomorrow? More than ever before, they will then be problem solving and dealing with people. International corporate boundaries are fast merging and future MBA will have to be well versed in cross continental skills as far as dealing with people is concerned.

2.1.4 Quality Certifications

2.1.4.1 National Board of Accreditation (NBA)

NBA of AICTE has the statutory responsibility of accrediting all MBA/PGDM programs, approved by AICTE. NBA accreditation is a process of quality assurance through which a program is critically appraised at regular intervals to ensure that the academic objectives of the program are seriously pursued and effectively implemented with the available resources and that the institution concerned has demonstrated capability to ensure continued effectiveness of the program over the period of accreditation given.

2.1.4.1.1 Parameters for Accreditation

NBA considers following parameters for accreditation;


2. Academic Performance Indices - Human Resources - Faculty Staff & Supporting Staff, Human Resources - Students, Teaching Learning Processes, Supplementary Processes and

2.1.4.2 National Assessment and Accreditation Council (NAAC)

The continuing concern for quality of higher education has projected the need for evaluation of performance of universities and colleges. This has led to the establishment of NAAC with a prime agenda to assess and accredit institutions of higher education. Headquartered at Bangalore, NAAC was established by the University Grants Commission (UGC) in 1994. It is an autonomous organization, registered as a society under the Karnataka Societies Registration Act, 1960.

2.1.4.2.1 NAAC Assessment Parameters

For assessment of the institutions or their units NAAC focuses on the following parameters:

- Institutional goals and objectives
- Curriculum design and review
- Teaching, learning and assessment
- Research and publications
- Consultancy and extension activities
- Organization and governance
- Infrastructure facilities
- Support services
- Student feedback and counseling and
- Generation and management of financial resources.

In addition to the above mentioned quality certifications there are other quality certifications which are worth obtaining e.g. European Quality Standard, EQIS American Associate Collegiate School of Business, and AACSB for making the B-School of international standard.
2.2 Pricing in Marketing of Management Institute

2.2.1 Introduction

Pricing decisions for the service offer are of a major importance and should ideally relate to achievement for marketing and organizational goals. Price is the only P’s in marketing mix, which is revenue oriented other P’s are cost oriented. So far as the educational institutions are concerned, price includes: fees, scholarship, payment terms, loan facility and consumers’ perceived value etc. Pricing decision is vital as it is directly related to the earning profit objectives of organizations or achieving a certain Return on Investment (R.O.I) or increasing the revenues by a certain percentage. No organization can survive without profits in the long run, except the government funded or charitable institutions. So implicitly, price assumes the center stage for any organization. For an education service, the price paid by the customer is known as fee, which is subject to many constraints like regulations imposed by All Indian Council of Technical Education (A.I.C.T.E), University Grant Commission (U.G.C) and Government of India (G.O.I) etc. ¹³

Most of the educational institutions, in fact all public institutions like the Universities, Institutes of Technology, Medical and Engineering colleges come under the category of services where price is subject to public regulation. In all such cases the price element is not controllable by the marketers, instead it becomes a subject matter of public policy, where political, environmental and social considerations take priority over purely economic considerations. Public institutions decided price keeping the parents income and also driven by social objective. Autonomous institutions also subject themselves to formal self-regulation of price, for example, the institutions like Institute of Cost and Works Accountant of India (ICWAI) and Institute of Chartered Accountants of India (ICAI) are subject to institutional regulations relating to fee structure, which they decide for themselves. On the other hand private institutions, typically in specialized field like medicine, engineering, computers and management tend to price their services on what the market could bear. As most of these institutions operate in subject fields where demand far exceed
supply, price charged depend upon economic condition, consumer perception about the price, buyer need urgency, competition in market place, level of demand etc.  

Thus the majority of B-Schools are generating resources and revenues through fees. However, there are other parameters like scholarship to the needy and meritorious students, providing soft education loan through tie-up with the commercial banks, intake capacity and fund raising mechanism etc which need to be considered while designing the price or determining the R.O.I or target return. Moreover, these peripheral services with respect to price give a domino effect in the mind of students and also attract the meritorious students. Let’s discuss the interconnection between the intake capacity, fees and revenue.

**2.2.2 Intake Capacity / Fees and Revenue**

A bulk of the Indian schools admits 60 to 90 students while the more adventurous among them could go up to 200 or more. Almost 40 percent of the schools admitted between 60 and 120 students. The batch size is important to get the benefit of economies of scale. The smaller B-schools charge anything between Rs.50,000 to Rs.1 lakh per year and as we go up to the value chain A and A+ category of B-Schools, the fee charged averaged around Rs.2 lakh to Rs.2.5 lakh per year and in some cases could go up further, right up to Rs14 lakh charged by the Indian School of Business. 

What could be the payback period of the B-Schools? Once again smaller schools are at an advantage, as they do not spend too much investment in their premises- most of them are located in rented places. Almost the entire “A+” category schools have large owned campuses with a range of 2 to 25 acres and **fixed investment of between Rs.20 crore to Rs 60 Crore.** The payback is also long despite the fact the **Return on Investment (ROI)** is almost **40 percent.** The reason is low annual turnover owing to the fact that the schools, particularly the smaller ones depend entirely on the fee income. Table 2.5 gives the break-up of revenue and expenditure.
Table -2.5
Break up of Revenue and Expenditure

<table>
<thead>
<tr>
<th>Gross Revenue Rs.29,736 Lakh</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MDP Research</td>
<td>10%</td>
</tr>
<tr>
<td>Fees Income</td>
<td>60%</td>
</tr>
<tr>
<td>Others</td>
<td>30%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Expenditure Rs.8,619 Lakh</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Library</td>
<td>15.5%</td>
</tr>
<tr>
<td>Faculty Development</td>
<td>18%</td>
</tr>
<tr>
<td>I.T. Investment</td>
<td>22.5%</td>
</tr>
<tr>
<td>Others</td>
<td>44%</td>
</tr>
</tbody>
</table>

Source: A Thothathri, Raman Business India, “The Way to go” October 24, November 6, 2005 pp-82

Strong industry interface helps in an institute to reduce its dependence on fees. Many B-Schools earn sizable revenues from training programmes for corporate executives. For example Management Development Institute, Gurgaon (M.D.I) earned over Rs. 7 crore from the Management Development Programme (M.D.P). Such revenue model provides a solution to B-School’s resource constraints. – A limiting factor that hampers investment in infrastructure and intellectual capital. 16

Heterogeneity of services and different pricing considerations used by different types of institutions make price an important determinant of consumer choice in educational services.

If the services are homogenous (undergraduate, graduate courses in the basic disciplines) the more competitive would tend to be the pricing. Another generalization that to be drawn from product marketing is that the more unique the education service offer, the greater would be the ability of the providers to vary prices according to the
buying capacity of the consumer population. For example, the PGPX programme run by IIM-A, which emphasis on “managing across the borders and culture”, in which there is a five-week international project. All of this at a cost of Rs.8,00,000. 17

The Shailesh J. Mehta School of Management at IIT-Bombay is also launching a two-year management programme for working executive by 2008. The Department of Management Studies, IIT-Delhi, will follow suit with its rather pricey (around Euro 30,000 per annum), 18 month MBA for senior executive in collaboration with ENPC, Paris. Its USP will be international faculty and an international catchments area. Executive Programme also makes a good business sense for institute. For example, At IIFT, the one-and-a-half years Executive Masters in International Business cost Rs.1,00,000 for a day programme. It is more like a weekend course with about 90 days of classroom teaching. The same also spread over three years on a part time basis. Institute of Management Technology, I.M.T Ghaziabad offers 15 months, full time residential postgraduate diploma in executive management at a cost of Rs. 4 lakh. As a part of the programme students do a two-week stint in some European countries. The above information makes a strong business calculation. When an institute offers a there-year, part time executive management programme that consist of 30 contact hours each, what does really boil down to? Forty-five days (take a 24 hours circle) of teaching out of total 1,095 days (three years) of the course duration. The cost is Rs.2.25 lakh. It is, therefore, necessary to differentiate services by offering heterogeneous product-mix to charge higher fees. Offering the similar product will not give any leverage in deciding the fees. 18

The next important peripheral issue of price is offering scholarship to needy and meritorious students. Let’s see the different scholarships offered by premier B-Schools in India.

2.2.3 Scholarship

Most B-Schools provide financial assistance in the form of scholarship to deserving students. Some of the major institutes providing scholarship are listed below.
IIM-A

The following schemes of awarding financial assistance to students are available:

- Industry and Other Scholarship (IOS)
- Scholarship for SC/ST students (SC/ST)
- Need-based scholarship (NBS): Instituted by IIM-A
- Need-based scholarship (NBS) Sponsored by Industry
- Government of India Merit-cum-Means Scholarship (MCM)

IIM-B

IIM-B, some second-year students are selected by instructor to provide tutorial assistance to first year students in selected subjects. Such selected tutors are paid an honorarium.

In addition to the above, a limited number of merit based awards, are available from some sponsors to partially/fully support students’ expenses. Awards are currently available from Citibank, Nestle India, The Ratan Tata Trust and the Aditya Birla Group. A merit-cum-means scholarship form Bharti Enterprises is also available for deserving students.

Faculty of Management Studies-Delhi

FMS has a tie up with State Bank of India for providing loans. Sanwa Bank Foundation, Nestle India and GE also provide scholarship to F.M.S.

Indian School of Business-Hyderabad

About one third of the students get scholarship. The ISB has negotiated with Housing Development Finance Corporation, (HDFC), Andhra Bank, State Bank of India to
facilitate loan offers for admitted applicant, at low interest rate, that covers up to 90-95 of the programme cost.

**Management Development Institute- Gurgaon**

MDI offers “MDI Merit Scholarship” of Rs.1 lakh each. General Electric offers “GE Foundation Scholarship” of Rs.3 lakh each to two students on the basis of citizenship, academic performance and leadership capability. Scholarship by way of tuition fee waiver is also provided to incoming foreign students under exchange programme.

**Indian Institute of Foreign Trade**

Under Need based scholarship scheme, interest payable on educational loans of Rs.1.5 lakh per annum up to a maximum period of two-and-a-half years is borne by IIFT in respect of all students who avail educational loans from a bank and whose family income is less than Rs.2.5 lakh per annum

Differential pricing, based on consumer willingness to pay may also be utilized for the education service. The practice of charging fees for the sponsored candidates and the non-sponsored ones is common in professional courses, so is the practice of charging differential fees from full time and part time evening participants of the study programme.

Scholarship plays a vital role in developing the talent pool for the institute. The quality of students is a reflection of quality of B-Schools. Moreover, the students who get the scholarship may become the brand ambassador for B-School. However, scholarship can’t be given to all the needy and meritorious students. A middle way need to be developed to accommodate the students who have resource constraints. Such type of students can be accommodated by signing the Memorandum of Understanding (M.O.U) with the commercial banks to provide the soft education loan to the students who have resource constraints.
2.2.4 Loan Facility

MBA is an expensive course to pursue. Such sum of fee can throw most middle classes household budgets out of gear. But help is at hand. Almost every institute offers tie up with the banks. Several banks offer reasonably priced students’ loans that cover the cost of tuition fees, boarding and lodging expense, and cost of books and laptops, other incidental expenses and in some cases, even the cost of travel. State Bank of India, Oriental Bank of Commerce, Corporation Bank, Canara Bank and Bank of Baroda and several others offer loans that include moratoriums on repayments till 6-12 months after the completion of course.

Most banks give loans up to Rs 8-10 lakh at rates of 10-11 per cent per annum. These loans are for duration of up to 7 years. One has to pay Margin money of 5 percent of value of loan and may also need to furnish a third party guarantee or collateral security if the loan amount is large. But most banks don’t insist on these for loans of up to Rs. 4 lakh. The information relating to documents in order to avail the loan facility is given in annexure – 1

In addition to this, B-schools should have endowment fund to make the school financially sound and more resourceful. Let’s understand the mechanism and importance of fundraising.

2.2.5 Fundraising

The key role of the Deans at all B-School is to raise funds for the school and Deans are evaluated on this attribute. Each school has a strong fund raising team that is headed by a Director of Development who reports to the Dean of the school. In addition, schools hire expert fundraisers or firms that help in this effort. These funds are in addition to those saved by the school from its own investments, tuition, overheads on research grants & institutional consultancies. There are three broad constituencies from where funds are raised:
• The alumni,
• Development & family foundations, and
• Corporations.

In some countries, government plays an important role as well in providing funds to schools. The fund raising process is multi-pronged – one of the roles of the director of development and external agencies is to gather market intelligence on which individual or organization may be likely to give endowment and when funds from alumni are sought on an annual basis especially during reunions. Large fund raising campaigns happen once in several years (and run over few years with a target amount to be collected). The process followed for these campaigns is as follows:

Each faculty/department is asked to give a wish list of projects with proposals for which funding may be desired; the schools through its strategic planning also comes up with a detailed proposal for activities, programmes, projects, facilities, centers of excellence, endowed chairs contribution to endowments (including those for raising salary levels at the school), improvement projects in campus facilities, etc. that it would like to develop. From these inputs, a development plan is framed. Special committees comprising school leadership, senior faculty, alumni, and friends of the school from the society are formed (almost all must be distinguished and have capabilities to influence others and gather funds for the school). A strategy is developed in terms of whom or which group of people will contact which potential donors and for what purpose (some research is done in terms of possible areas where a person may be more inclined to give). Committees & individuals meet potential donors, make presentations, and distribute fundraising dossier. The donor is patiently and systematically engaged with the school and its activities. Once the campaign is over, the donors are formally acknowledged both privately and in public. Once the project for which the donation is sought kicks off or is completed, the key donor is invited over a reception and her/his support publicly acknowledged. Most B-Schools name buildings/chairs/centers after the donors, place plaques outside facilities like classrooms/dining facilities/recreational facilities etc. and display names of donors
who contribute significantly at a prominent place on the campus. As it may be obvious, a dedicated team of people at the school does raise funds with lots of help from people outside the school both in its planning and implementation. Interestingly, most management institutes appoint members on the board with a potential to contribute directly or help raise funds for the school. Fundraising by these schools is done globally. However, organized philanthropy is not very common in our country and whatever exists is being seriously tested by improper policies of the government. New mechanism may be designed for generating and retaining funds, e.g., trusts that could professionally manage the funds of the school. Alumni support could be sought to bring in key managers in administration (either through direct support or by sending managers on “loan”) – of course, the need is to develop such resource internally. Schools that have been in existence for a while need to raise funds in an organized manner from their alumni and other holders in the society. Such schools also need to learn about nurturing relationships so that well-wishers can bequeath resources to the school. School leadership may develop events where such well-wishers could be engaged with the school. Towards this goal, school may have to hire a Senior Manager (Development) who would help raise funds. It would be easier to raise targeted funds especially those that support faculty and student development and accompanying facilities. Another possibility could be resources generated through sale of intellectual property developed at the school or equity that the school or its agency can take while supporting start-ups on its campus (e.g., through the incubator, if they have one). Schools that invest in research will be able to develop these and other new opportunities for raising resources for various activities.

To serve the above purposes many B-Schools are raising funds regularly and create a corpus to deal with the upcoming opportunities, improving their infrastructure, making them cash rich or continue with their development plan even if their revenue stream is not enough.
2.3 Place/ Distribution Channel in Marketing of Management Institute

2.3.1 Introduction

In majority of the cases the educational services represent the single location and direct distribution processes with no intermediary between the producer and the consumer of the service. The user of the service going to the service provider usually accomplishes the learning process. However, because of buyer need and the nature of the utility derived accessibility and convenience for educational service location is not as a critical factor as in case of, a banking service. Depending upon the competitive situation, the factors that have marketing implications in terms of location are

- What does the market demand? Will the purchase of service be postponed if the situation is not conveniently located? How critical are accessibility and convenience in service choice decision?
- Are competitors finding alternative ways to reach to the marketers? (e.g. distance learning in education) Can some competitive advantage be gained by developing alternate/different norms of service location and delivery?
- How does flexibility, being technology or people based, affect the education service offer in terms of flexibility in location and relocation?
- Is there any obligation on part of the institution to be located at a convenient site? (e.g. Public Place, Heath Education Centers, Family Planning Centre, Training Centers, Vocational Training Centers etc.)
- How critical are complementary services to the location decision? (Transport to and fro, residential and canteen facility and so on)

Answer to issues like the above underlie the critical importance of the location decision and may result in more systematic approaches than in the past.20

As we know that “innovate or perish” is the mantra for any successful organization and it is largely depend upon the distribution strategy adopted by the organization. The new generations of B-schools are quite upbeat to expand its spreads to the fullest extent. The demand and supply skew is just too delicious to ignore.
Following are the distribution channel strategy adopted by B-Schools in India.

2.3.2 Distribution channels

- **The Brick and Mortar Way**

  Under this distribution channel the international institutes are allowed to open stand-alone centers, instead of having a tie up with a local partner. Besides they don't need to worry about infrastructure. For example, in 2003, the Government of Dubai set up **Knowledge Village** in the Dubai Technology and Media Free Zone. It was envisaged, as its website [www.kv.ae](http://www.kv.ae) says, as a connected learning community to develop the talent pool in the region and accelerate its move to the knowledge community.  \(^{21}\)

- **The Partnership Model**

  Under this model the institute ties up with the local partner. The local partner takes up the responsibility to manage the logistic and set up the infrastructure whereas, the foreign partner takes care of entire intellectual contact by transferring its syllabus and faculty. For example, **XLRI**, which was the first Indian B-School to offer a two-year executive MBA in Dubai, **centre**. XLRI collaborated with **Al Abbas**, a local trading company.  \(^{22}\)

- **The Hub-and-Spoke Model**

  Under this model the institute branch out into many centre across the country. The knowledge generation taking place at a mother centre (activities such as case writing, curriculum, research and publications). The other centre concentrates on ‘delivery’, operating mostly from rented premises with contract facility for example, **ICFAI**, having nation wide presence through hub-and-spoke model.  \(^{23}\)
• **Distance Education Model**

Distance MBA is a concept that is gradually gaining currency. While brick-and-mortar MBA call for a full time deployment of time and resources on the part of the employees, many companies also get attracted to alternative options. One of them is an online MBA programme for managers and others. One reason is that for existing working managers, the usual work schedule gets hampered when the concerned executive is away on training or a sabbatical. Moreover, many executive MBA courses are designed to suit the time and convenience of the institute rather than that of the corporate participants. Online MBA therefore arrived as an answer to these glaring gaps. To capitalize on these opportunities, many of the existing B-Schools have also hopped on the bandwagon of offering online MBA. A recent entrant in this space is the **Universities 21 global (U21G)**. Today, the programme has footprints in Asia, Australia and London. XLRI, Jamshedpur has also launched a variant of this whereby the online learning combined with some amount of classroom instruction. IIM-C (Kolkata) and IIM-B (Bangalore) has also rolled out a similar online MBA programme.24

• **Franchisee Model**

In India **Hughes Escorts Communication Ltd (HECL)**, one of the first to roll out franchisee model for management education, provides the technology platform, **Direcway**, and marketing support for more than a dozen leading institute to conduct IT-enabled long-distance courses. The **Interactive Onsite Learning (IOL)** programme allows students to go to contact centers after the office hours and attend lectures that are **web cast** live. With an application similar to the Internet messenger, the students can send in their queries to the lecturers, and interact with fellow students in real time. **Unlike distance learning or e-learning, in franchise model the interactivity is that similar to live classroom session**, where a student sitting in any part of the country can interact freely with the professor, ask questions, and get answers instantly.
This makes the interaction spontaneous and natural just like a regular classroom. HECL has 48 centers in 32 cities, and has 8 studios each located near the institutes offering the courses. 

However, the models, which are discussed above concentrates more on national presence and doesn’t address the nationality and the composition of students. In addition to the above models, there are different distribution models adopted by many premier B-Schools across the globe to globalize business education.

Following are the major distribution models for making the institutions international.

**2.3.3 The Internationalization of Business Education**

The distribution model adopted by the B-School is depending upon whether the B-school wants to internationalize its presence or not? As many companies internationalize and/or face global competition, students and employers demand a business education with a solid international dimension. In response, most business schools have adapted their offerings to satisfy the request, and many now claim to be international. This phenomenon raises a number of questions. What does it mean for a school to be a global player, a regional player or school become international? There are several ways for a school to internationalize its curriculum, its student’s body, its faculty and its presence. These can be classified into:

- **Import Model**
- **Export Model**
- **Network Model**

The **Import Model** of internationalization aims at “bringing the world to the school” campus with a maximum number of nationalities represented in the school’s programme, its faculty, its administration as well as its governing body. An extreme
version of this approach is to turn the school into global meeting place where there are no dominant nationalities on campus and English is the only language of instruction and communication. But the transformation of a "national" school into a global one through the extreme version of import model is quite difficult to achieve because national roots and the local context are usually strong enough to prevent a successful conversion. The few schools that have been able to achieve this objective have not done through radical transformation. They were actually created as international from the outset and over time opened up to the world\textsuperscript{26}.

The \textbf{Export Model} of internationalization consists in sending abroad faculty and students. The faculty delivers courses off-site but the school's original campus remains at the centre of the entire system. These off-site courses are usually provided in rented facilities to students located in the host country and many include students from original campus. The main advantage of this approach is to expose the faculty to other countries and culture, thus enriching their knowledge and experience, which they can transfer back to the main campus. It also provides students with the opportunity to study abroad and mix with students from other countries. To increase this type of students' experience many schools have established exchange programme with a large number of institution around the world, whereby students from one school spend part of their programme attending courses in one or more of the partner institutions. As the number of schools involved in such programmes rises, managing exchange, ascertaining consisting between courses and monitoring standards across schools become increasingly complex. The danger is that the exchange programme turns into a routine with little added value beyond the opportunity for students to visit another country and mix with foreign students. In general, successful exchange schemes have a very limited number of partners (usually fewer than five) who work closely together around a well-designed programme.\textsuperscript{27}

The \textbf{Network Model}, which is the most developed approach to globalize a business school, seeks to create a multiple-site institution with full-fledged campuses located in different regions around the world, ideally one campus in each of the main economic regions of the world (i.e. the Americas, Asia and Europe). The challenge here is to
keep the campuses tightly connected to one another and avoid turning the structure into a multi-local school with quasi-autonomous sites.

The weaknesses of the multi-local structure are two fold. The school either ends up replicating itself abroad (its campuses may be connected but they are all the same) with little added value to the system as a whole beyond an increase in size and revenues, or it ends up creating a set of unconnected local schools (its campuses may be different but they are not linked to one another), again with little added value to the whole system beyond an increase in reach and revenues. The problem in the first case is that the school as a whole misses the opportunity to learn from each other of the local settings in which its campuses are located, since, in effect, the school "clones" itself abroad. The problem in the second case is that the school misses the opportunity to transfer between its campuses the knowledge and learning acquired in each local setting.28

A truly global school is one with complementary and interconnected campuses located in the three major economic region of the world (i.e. the Americas, Asia and Europe). Within such a structure, the knowledge and learning gathered in each location circulate freely between the campuses to the benefit of the entire system. The knowledge and learning system is transmitted through cross-fertilization that results from the movement of people (students, faculty and staff) and ideas between the schools' campuses. With that the structure of the school not only offers different programmes in each location but also, more importantly, single programme that requires spending time in each of the school's campuses to learn from the local setting and compare the experience in a structured way. Likewise, faculty not only can do research based on local data but also can go a step further by "melding together" the local learning acquired in each location to create new insight and knowledge.29

Obviously, not every school should aim to become a truly global knowledge and learning network. Many will continue to serve their local market. Others will adopt a more regional scope. A few will be truly global. But the local and regional schools to some extent have to internationalize their students' body, their faculty and their
curriculum – by combining some elements of the import and export models- if they wish to remain relevant in a world that is becoming increasingly connected.30

The brick and mortar model, the partnership models do take the institute abroad but their roots remain local. The import model, the export model and network models are widely used by the institute to internationalize its presence.

The above discussion is revolved around the locational aspect of the B-schools. So far as, the distribution of the application forms and prospectus are concerned majority of the B-schools send their application form and prospectus by post. An applicant has to send the demand draft in favor of B-school for getting application form and prospectus. Of late, many B-schools started giving option to the applicant for getting the application form and prospectus, which can be down loaded; from the B-schools web site and then it will be forwarded to the B-schools along with the demand draft.

To expand their reach and make the application forms and prospectus available many B-schools have tied-up with the coaching-classes and commercial banks like Institute of Management Studies, (I.M.S), Triumphant Institute of Management Education Pvt. Ltd (T.I.M.E), Career launcher, P.T Education, Indian Banks, State Bank of India, I.C.I.C.I etc. The main purpose over here is to use the wide spread network of the coaching classes and banks.

Having sent the application form and prospectus, the next step is to conduct the entrance test, group discussion and personal interview. To make the exam more comfortable to the students and to invite maximum applicants B-Schools have tied-up with schools and colleges to organize the entrance exam in their premises. The Group Discussion and Personal Interview are also taking place at different cities. The selection of the cities normally includes Mumbai (West), Delhi (North), Chennai (South) and Kolkata (East) or B-Schools may select metros and mega cities to conduct group discussion and personal interview.
2.4 Promotion in Marketing of Management Institute

2.4.1 Introduction

The fundamental differences between goods and services which must be kept in mind while designing the promotion strategy for services is that, the customer relies more on subjective impressions rather than concrete evidence. This is because of the inherent nature of service.

Secondly, the customer is likely to judge the quality of service on the basis of performance rather than the actual practice.

Thirdly, it is difficult to sample the service. As a marketing manager one must design a promotion strategy, which helps the customer to overcome these constraints. Since, the education falls under the service sector; it requires a lot of deliberation while designing the promotion-mix. 31

Following are the different components of promotion-mix.

2.4.2 Promotion-Mix

1. Advertising
2. Personal Selling
3. Publicity and
4. Sales promotion

are used in the promotion of products. We shall now discuss them in the context of services.

2.4.2.1 Advertising

Advertising is any kind of paid, non-personal method of promotion, by an identified organization or individual. Certain services such as entertainment (cinema, theater),
passenger and freight transport (roadways, airlines, railways), hotel, tourism and travel, insurance have been advertising heavily in newspapers, magazines, radio, TV to promote greater usage and attract more customers. However, certain service professionals such as doctors and lawyers have rarely used advertising as a means of increasing their clientele. A study conducted by J.R Darling and D.W.Hackett in 1978 revealed that doctors, dentists, lawyers and accountants have a negative attitude towards advertising their services. These groups have traditionally relied on word-of-mouth for attracting new customers. But these situations is changing and can occasionally see an advertisement in the daily newspaper giving information about the location and timing that a particular doctor is available for consultation. These advertisements may also carry the message ‘Honorary doctor to the president of India’ or ex-director of a prestigious medical college or institutions. Such messages can help create a positive image and credibility. The various types of marketing tools that are widely used by the marketers to market education can be enumerated as under.32

2 Newspapers

Print media has formed the largest source for marketing education both for the national level collages as well as the international collages and institutes. Everyday we witness a number of advertisements of numerous institutes coming up in the newspaper. Even the consultants for this particular institute put forward their advertisement in newspaper.33

3 Magazines

Another important print media source for marketers of education has been the magazines. Marketers mostly try to cater to these magazines, which are read by the students. Competition Success Review (CSR), Science Refresher, Outlook, Business World, Indian Management, Business Today, Dalal Street etc are examples of such magazines where advertisement regarding educational institutes is widely placed.34
4 Television

An important electronic media via which marketers are trying to convey their messages to the audience is the television. The cable operators are making use of this media to place the advertisement of various institutes and consultants in front of the audience, via the local cable channel. Though this media is not that popular for marketing of education in our country but in the European and American countries television media is the most important tool to market education.35

5 Internet

The latest and most important tool of the modern era which education marketers in the foreign countries are making most use of is the Internet. With this tool one can cater to the global students' community and thus gain a lot monetarily as well as intellectually. B-Schools develop their website and upload it, so that people/ students can browse it for getting an admission form, information etc36
The guidelines, which can be kept in mind while promoting through advertising service, are as follows

1. Use simple, clear message
2. Emphasis the benefit of service
3. Promise only that which can be delivered and do not exaggerate claims;
4. Build on word-or mouth communication by using testimony of actual consumers in advertisements, and provide tangible clues to service by using well-known personalities or objects to help customers identify the service. This is being done by Indian Railways in their advertising on TV where they are using well-known sports personalities to talk about the importance of railways to the nation’s economic development and projection of railway property.

The other important aspect, which is of importance in designing an appropriate advertising strategy, is the high level of consumer-organization interaction required in certain types of services (beauty saloons, management consultant, doctors). In these types of services, the objectives of advertising have been identified as:

i. Creating an understanding of the customers’ minds by describing the company’s services, activities and its areas of expertise.
ii. Creating a positive image for the company
iii. Building a strong sense of identification with the customer by turning his needs, values and attitudes and
iv. Creating a positive background for the sales people to sell the services by providing all relevant information about the company.

2.4.2.2. Personal Selling

The problem with advertising to promote services is that in certain types of services, the service cannot be separated from the performer. Moreover, if it is not homogenous service in which exact standards of performance can not be specified in such
situations, personal selling implies using an actual professional rather than a salesman to sell the service. A management consultant may send one of its consultants (junior or senior depending on the kind of customer being attended) for soliciting new business.

This kind of personal selling is certainly effective but also very expensive. One way of making personal selling more cost effective is to create a derived demand by tying up with associated products and services. A management consultant may associate with a bank, so that the bank recommends his name as a consultant to any new entrepreneur coming for a loan. A chain of hotels may team up with an airline to offer a convectional package tour (as has been successfully done for promoting Nepal, and is being done by Vayudoot-and-Indian-Airlines and Jammu and Kashmir Tourism Department). The other way is to maintain a high visibility in professional and social organization, getting involved in community affairs and cultivating other professional so as to maximize personal exposure and the opportunities for getting work from new sources.

2.4.2.3 Publicity

Publicity is unpaid for exposure, which is derived by getting coverage as a news or editorial item. It is possible to get publicity when the service which offered are unique and, therefore, newsworthy, by holding a press conference in which, it is associated with service with some issues of greater social relevance or by involving the interest of newspaper or its staff in covering service. The important point about publicity is the choice of the newspaper, magazine and journal should be correct. The vehicle, which we choose, must be credible and enjoy a reputation of being trustworthy. A wrong choice of media vehicle will result in adverse publicity. Newspaper as a medium of publicity is widely used by the B-Schools in India.
Newspaper

Management Institutions give press notes to leading newspapers like the Times of India, The Economic Times, Indian Express etc regarding different activities and development undertaken by the institutions. The news items create positive image about the institutions in the mind of reader.

2.4.2.4 Sales Promotion

In the case of services, the sales promotion techniques which are used are varied and various in number. A doctor may charge lesser amounts as fee on subsequent visits to encourage the patient’s loyalty, a pediatricians may send reminder to parents about their children’s pending inoculations, a car mechanic guarantees for repairs undertaken up to three months, a chartered accountants may offer his services free for the first two visits to allow the customer to evaluate his work.

In services, sales promotion techniques are used to offset their perishability characteristics (family discounts offered by hotels in off-season in which two children fewer than 12 are allowed free of charge) and to overcome the problem faced by customers in evaluating and judging the quality before making the purchase. Sales promotion techniques reduce the risk associated with the purchase.

Following are the various sales promotion techniques used by the educational institutes in general and management institutes in particular.

Handouts

Handouts and leaflets form easy sources of forwarding the idea of advertisement for the marketers of education. Distribution of handouts is a common sight, which can be seen in most of the public places as the target market can easily be catered in such areas.
Educational Meets

Educational meets have been a very successful mode to impart the information of particular institutes to the students. The students find it most useful as they get most of their queries solved because of direct interaction with the person of the institute concern. Marketers can also improve their image and credibility in front of the students.38

Road Shows

This is another tool to market education, which is not very popular in our country, but in the west this has been very popular.39

Exhibitions/ Seminars / Workshops

Seminars and educational fair are also gaining popularity as a marketing tool for education. Since most of the students visit such fairs and seminars there lies a huge opportunities for marketers to cater to as many students as possible during such fairs and seminars e.g. introduction of a golf workshop by IIMA this year to help network aspiring professionals because Golf has emerged as an important networking platform in the corporate world.40

Merchandizing

Visibility of the B-Schools can be generated by providing different accessories to the students, faculty and office staff like T-Shirt, Jackets, Bags, Mugs, Pen-Stand, Wallet, Writing Pads, Files etc on which the name and logo of the B-Schools have been printed on it.
2.4.3 Promotion and Education Service Offer

The objective of promotion in education service is akin to its role in other marketing endeavors. The basic objectives that promotion as a marketing tool is expected to play for marketing of education would include.

1. Building awareness of the education package and organization providing it.
2. Creating and sustaining differentiation of the organization and its offer from its competitors.
3. Communicating and portraying the benefits to be provided.
4. Building and maintaining overall image and reputation of service organization.
5. Persuading customers to use or buy the service.
6. Generating detailed information about core, facilitating and augmented service offer.
7. Advising existing and potential customers of any special offers or modifications or new service offer package, and-
8. Eliminating perceived misconception.

Educational institutions however, have not been able to use promotional tools because of certain perceived notional barriers. Some of these barriers are:

1. Most educational institutions are product oriented rather than market or student oriented. They perceive themselves as producers of certain educational programmes, rather than as satisfiers of certain learning needs. This lack of marketing orientation, keeps those managing educational institutions from realizing and exploiting the role that promotion could play in attaining organizational objectives.

2. Professional and ethical considerations may prevent the use of certain forms of promotion. Established educational institutions may regard the use of mass media advertising and sales promotion as being in bad taste.
3. The nature of competition in case of educational institutions like university and management institutes is such that they are unable to cope up with their present demand and work loads. Therefore they may not feel the need to promote for demand generation purposes.

4. The nature of consumer attitude regarding education and their perception of mass media information sources may sometimes preclude the use of intensive promotion. For making their choices regarding a particular institution or a course package, prospective students rely mostly on subjective impression of the institution, or use surrogate indicators of quality like the provider’s reputations or image. They also tend to rely heavily on word-of-mouth referrals rather than published literature or material supplied by the institution.

Due to some of the above considerations and also because of prevailing ‘industry tradition’ promotion of educational service has tended to rely more heavily on the component of publicity rather than any other element.

Studies in the field of marketing of services indicate that the reluctance towards using mass media advertising or sales promotion is partly due to the inherent psychological barrier and partly due to the misunderstood role of these tools.

Restrictions on advertising for several professional services are being slowly relaxed. Growing competition and the threat of losing market shares has awakened many institutions to realize the importance of mass media tools like advertising for organizational as well as service offer promotion. Some guidelines that can be used while applying this powerful tool for generating awareness, interest and enrollment are summarized below: 41

1. **Create Clear, Simple Message**

The real challenge in advertising educational service lies in communicating the range, depth, quality and level of service offer by a given institution, in simple
unambiguous form. The need of giving pertinent information has to be balanced against need to avoid wordy copy.

2. **Emphasis Service Benefits**

Based on an identification of benefits sought, advertising for educational product could emphasis the benefits to be provided rather than the technical details of an offer.

3. **Make Realistic, Attainable Promises**

Education by its very nature is high reliability service, where expectation is high. Unfulfilled promises create dissonance. Promises in terms of performance of services therefore should be realistic.\(^{42}\)

4. **Build On Word-Of-Mouth Communication and Referrals**

As discussed earlier, students believe more in word-of-mouth than the information given by the service provider therefore educational organization should build upon the importance of word-of-mouth communicated by the following:

- Persuading satisfied consumers to share their sense of satisfaction with others
- Directing ad campaigns at opinion leaders
- Encouraging potential consumers to talk to existing consumers.

5. **Provide Tangible Clue**

In terms of certification, records of attainment and past success figures provide the prospective target population with tangible clues to enable them to make choices.
2.4.4 Develop Continuity in Advertising

Most successful institution positions themselves in different ways, so that their images are discernibly different in the eyes of the consumer population. Positions could be built around innovative teaching methods, faculty expertise, research and development possibilities, international orientation, tradition of quality, range and depth of specialization offered, progressiveness, delivery system, flexibility, supporting services or a combination of any of the above. Once a theme has been identified, consistent use of themes, formats, symbols and images enables recognition of the organization and its association with the desired values. For more insight refer “Advertisement by Management Institution: Positioning” in chapter number six.
2.5 People in Marketing of Management Institute

2.5.1 Introduction

People constitute an important dimension in management of services in its role both as performer of services and as customers. People as performers of services are important because “A customer sees a company through its employees. The employees represent the first line of contact with the customer. They must, therefore, be well informed and provide the kind of service that wins customer approval. The firm must recognize that each employee is a salesman for the company’s service”. The importance of customers in service stems from the fact that most services imply active participation and involve customer-organization interface. Let’s understand the above mentioned concept with the help of four service variable viz, High Contact V/S Low Contact and Visibility V/S Non-Visibility.

2.5.2 Service Personnel

Service personnel are important in all organizations but more so in an organization involved in providing service is an important influence on the customer’s overall perception of the service and he can rarely distinguish between the actual service given and the human element involved in it. How often have had the experiences of holding on to a telephone receiver after dialing for assistance or trunk booking and receiving no response? The poor response or the poor quality of telephone operator creates negative image of the service provider.

The case of telephone operators is still controllable because the telephone system presents a low contact organization. High or low contacts is defined on the basis of percentage of total time the customer has to spend in the system compared with the relative time it takes to service him. By this definition, restaurants, hospitals, educational institutions represent low contact organization. High or low contact is defined also on the basis of organizations. The other important distinctions of service
personnel is between those that are visible to the customer and those that are not, in a restaurant, the waiters are visible while the cook in the kitchen is not visible. As a marketing manager you have to devote more time for training the visible personnel, since they have greater responsibility in maintaining relations with the customer. The rice dish, which is not cooked properly, is the cook’s fault but it is waiter who will have to bear the brunt of the customer’s anger. The manner in which the waiter behaves with the customers will be an important determinant in the restaurant losing that customer will be an important determinant in the restaurant, losing that customer forever or retaining him as a regular client.

As a marketing manager his primary concern is the visible service personnel and especially so if it is a high contact organization. This can be done through:

1. Careful selection and training of personnel
2. Laying down the norms, rules and procedure to ensure consistent behaviour
3. Ensuring consistent appearance
4. Reducing the importance of personal contact by introducing automation, computerization whenever possible.

2.5.3 Customers

Customers are important because they are the source of influencing other customer. In the case of doctors, lawyers, consultant’s one satisfied customer will lead to create chain reaction, bringing in his wake a number of other customers. Thus as a marketing manager’s first task should be to ensure complete satisfaction of the existing customer.

2.5.4 People in Management Education

Rapid economic growth, global competition and privatization have caused a surge in demand for MBA degrees in India. It has become the most prestigious qualification for current and potential managers as it prepares them to take up new challenges and
multiple management tasks. MBA graduates from top business schools are picked even before they complete their studies. A few can deny that those who graduate from lesser-known school also have great leadership and business potential.

The key issue is whether business schools have the relevant syllabus and delivery system to prepare future leaders for the dynamic changes in business. The effectiveness of delivery system largely depends upon the quality of students and faculty members collectively known as “people” in service marketing terminology.

2.5.4.1 Quality of Students

The quality of students entering business schools is very important. Traditionally, education in commerce was not seen as the educational path of the brightest students. However, currently, getting accepted into a well-regarded business school is seen as a very attractive career. IIMs have been ranked at the top in several surveys of b-schools in Asia-Pacific region, and admission to any IIM is seen by most as a passport to a fast track career at the national and international levels. In 2003, IIM Bangalore was ranked in the top hundred business schools in the world. Although it did not rank top on the list, it was the only Asian Business School to be ranked at all.43

Each year about 100,000 aspiring candidates take Common Admission Test or the entrance exam of the IIMs. Of these 1,100 will be selected to join one of the IIM's. Thus admission standards are very high. Collectively, the IIMs have been recognized as the world’s number one in terms of their selectivity, and difficulty of getting admission into.44

An interesting aspect of the selection process is the use of different admission tests and procedures by different business schools, unlike the US where GMAT is used as a standard test score. The Government of India tried to introduce a Common Admission Test for the b-schools but the Supreme Court of India rejected that attempt. The Court ruled that “private educational institutions have a personality of their own, and in order to maintain their atmosphere and traditions, it is necessary that
they have the right to choose and select the students who can be admitted.” (Goswami, 2003). The merits of a common entrance test are debatable and proponents will feel there is a need to develop some measures of equivalencies among scores of different admission tests, so that the quality of the inputs can be isolated from the quality of the academic process while making comparisons among different B-schools.

A distinctive element of B-schools in India is the diversity of student profiles. Since management education is the most popular at the graduate level, aspiring candidates come from a variety of academic streams such as engineering, liberal arts, science, commerce, and medicine, thereby providing a very rich inter-disciplinary classroom experience. However, most of the MBA students in India are relatively young, and they enter the graduate program straight after their undergraduate education. Although many of the Indian institutions give some extra weight for work experience, a majority of students are without work experience. There is also the same situation in both the top ranked and second tier schools. This is in contrast to the US, where traditional graduate students have at least 3-4 years of work experience. Recently, though, Harvard Business School has begun accepting candidates without work experience; it now evaluates applicants on academic ability, personal characteristics, and leadership experience; where informal or formal leadership experience outside work settings is also recognized. The benefits of relating business theories to their own work experience may thus not take place, but there is expected to be a stronger openness to learn about alternative business models. 45
2.5.4.2 Quality of Faculty & Staff

Faculty is seen as the scarce resource and the underlying philosophy at many B-Schools is to develop systems and supporting staff that will free faculty to do two things that others cannot do well – research and teaching. In doing that, each faculty is also expected to do some academic administration but care is taken that this does not take them away from the prime purpose of their existence at the school, i.e., research & teaching. All other resources are seen to support these activities of the faculty.

Generally, B-Schools have three types of faculty – regular faculty, visiting faculty, and adjunct faculty. Lately, a few schools have also developed a fourth group called clinical faculty.

i. Regular Faculty

Regular faculty is the permanent research and teaching faculty at the school. They form the majority of the academic staff and are expected to undertake research, teaching and some academic administration. A regular faculty is supposed to devote at least fifty per cent of time on research. 46

ii. Visiting Faculty

Visiting faculty is a group of academics from other schools that are visiting this school for a limited duration (say, a year). They may be on leave or on sabbatical from their parent school. 47

iii. Adjunct Faculty

Adjunct faculty is a group of faculty from local schools or from industry who may come to teach a course or more during a specified term. These usually have a term appointment (say, a semester or more) but could also be permanent adjunct faculty.
These are recognized as bringing in special expertise from industry or excellent teaching skills. These help in meeting the teaching needs of the school. Their only role is to teach and develop teaching material.  

**iv. Clinical Faculty**

Clinical faculty is a group of faculty who has almost all the privileges of a regular faculty except that they have been selected on the basis of outstanding teaching skills. They are expected to develop new teaching methodologies and strengthen the teaching aspect of the school. This group is hired on a long-term contract and may not have specific tenure. However, they have all the resources available to a regular faculty.

From the above discussion it is clear that the faculty is the most critical resource and their availability is highly constrained. Yet, these resources are pulled in all directions: excessive (and often ill-focused) teaching, administration, resource generation, MDPs, in-company training programmes etc. All of these take valuable time away from research. This is done because the resource pool of good teachers in the country is not large hence teachers are assigned excessive teaching of all kinds at many schools, because quality of administrative support is poor (even amongst good Indian schools), because the faculty has to generate additional compensation for itself as salary structure are not commensurate, because schools need to generate resources through faculty MDPs etc. Such a willful destruction of faculty resource must be stopped. Schools must not sacrifice research for teaching, must change the structure of its faculty (i.e., recognize good teachers and bring them as adjunct or clinical faculty), must insist that all regular faculty do research and teach, bring professional managers in administration and raise their capabilities so that administrative load on the faculty can be reduced (and they will have confidence that the administrative task will get done equally well if not better).

It is a fact that not much attention is paid to the profile of facilitators of management schools especially about their academic and professional qualifications of
competencies to tackle the complexities of management education, though some guidelines have been put forth by the AICTE, yet it needs to be mentioned here that faculty with commerce and management background with high grades/marks would be better suited to be mentors of management students. Sadly, the problem in most B-Schools is that facilitators come from classical disciplines and are, therefore not familiar with dynamic and interactive methods of learning that are required for developing the knowledge, skills attitudes and values for effective management education. Since most of the students of such courses requires competency needed to face placement interview and group discussions, the faculty must themselves be proficient in such soft skills, which have received lesser attention, until recently, a conceptual framework, and a certain way of thinking on how to go about answering the questions that arise. Such confidence and know-how can be based only on sound educational background.

Experience can be acquired by management faculty with the years of services in the teaching profession. However, it has other dimension as well.

Experience can be said to be directly proportional to the amount of effort, initiative, creativity and innovation shown by a faculty in order to enrich him/her.

Experience is not an absolute, but a relative term. It maybe in the following forms:

- Coordinating seminars, conference, workshop, panel discussion
- Providing industry interaction forum
- Organizing inter-institute competitions
- Conducting research
- Providing consultancy
- Conducting corporate training
- Supervising academic and corporate projects and
- Developing case study
b. Staff

Most of the administrative functions are managed completely by well-educated and trained staff in these schools. There is a separate career path for the non-academic staff. What is most interesting to observe is that administrative practices (including, for instance, the layout of offices from where academic support is delivered). The meaning of service appeared to be very well understood by all in administration. There is a clear recognition that their role was to facilitate the activities at the school. The users of their services regularly evaluate each service group. 51

B-Schools should strive to provide a platform whereby the faculty and staff can get appropriate exposure to perform better. Furthermore, faculty members should have training in the following areas.

2.5.5. Training Courses for Management Faculty

1. Induction (orientation) training.
2. Subject specific (refresher) training.
3. Faculty Development Programmes (Specialized).

Another important point is that in India we need to develop good quality research through management faculty. Research is virtually non-existence in management school today.

Research should be considered as an educational strategy. It keeps companies abreast with the latest thinking; it changes the very character of education, the involvement of students, and most importantly the involvement of the faculty. Further, as stated by Charles Baden Fuller

"The mission of a good school in management is not just to educate and develop aspiring young manager. It is also to develop ideas, theories and evidence that will shape management practices in future."
In other words, good quality research and development of new ideas is critical for good quality education in management schools. If a faculty is not engaged in research and development of new ideas, he/she has hardly anything to contribute to bright student who has all information at click of a mouse. However, not all B-School can foster research due to the small size of 7/10/15 faculty members. The priority of any business school is to provide future leaders. But to achieve those objectives, the schools need to have an internal leader- the CEO or the director – who can as easily abandon those, which are not yielding result. A self financed B-Schools typically has an effective director who chart out a clear growth strategy and makes sure that the faculty members internalize it and work as a team. At MDI, Gurgaon, for instance, the same HR practices that are taught to students are used to promote teamwork among faculty members. Every morning, the teachers meet over a cup of tea for 15 minutes to sort out the day-to-day coordination issues. These discussions also help in building stronger relationship between them. The faculty council meets every month to monitor implementation, and makes mid-course adjustments, if required. New ideas are debated and discussed, and achievement of faculty members is celebrated. The long-term strategic issues and vision are discussed in the annual retreats of the faculty. Obviously, such schools take steps to attract the best teaching talents. IMT (Delhi) pay salaries that are over 35 percent more than what's prescribed by AICTE for IIMS and IITS. The workload is restricted to four to five courses in a year, so that the teachers get ample time for other things like research. There are other incentives too – a payment of Rs.65,000/- if a paper is published in an international journal and Rs 1 lakh for authoring a book; a maximum of Rs. 1,50,000/- per teacher for attending international conference and seminars every alternate year; 60 per cent of the revenues that’s earned from training and consulting project undertaken by a teacher. Although a majority of faculty in most Indian business schools do not have a Ph.D. A typical faculty member has only an MBA or equivalent degree, usually with several years of industry experience.
Table 2.6

Table-2.6 and Figure-2.2 shows the composition of faculty in management institution in India

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Type</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Full time</td>
<td>2397</td>
</tr>
<tr>
<td>02</td>
<td>With PhDs</td>
<td>1591</td>
</tr>
<tr>
<td>03</td>
<td>Industry Background</td>
<td>1,668</td>
</tr>
<tr>
<td>04</td>
<td>Female</td>
<td>799</td>
</tr>
<tr>
<td>05</td>
<td>Visiting</td>
<td>1,949</td>
</tr>
<tr>
<td>06</td>
<td>Adjunct</td>
<td>802</td>
</tr>
</tbody>
</table>

(Source: A. Thothathari Raman: “The Way to go” Business India, October-24-November 6, 2005, Pp72)

The survey conducted by Navjit Gill proves that faculty and research output is the key differentiator between the three tiers. On average, tier-1 (“A” grade) B-schools have
50 full time faculties, tier –II (‘B” grade) have only 24 and the rest 17. This trend is faithfully mirrored in the average number of books published as well as the number of papers published in referred journals (see the Faculty Factor, given in table)

Table-2.7
Faculty Factor

<table>
<thead>
<tr>
<th>S.No</th>
<th>Category</th>
<th>Full-time faculty</th>
<th>Avg. No of faculty</th>
<th>% of faculty with PHD</th>
<th>Avg. number of published books per school</th>
<th>Avg. number of published paper per school</th>
<th>Average MDP and consultancy revenue (Rs Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Top 15</td>
<td>755</td>
<td>50.33</td>
<td>72.85</td>
<td>11.53</td>
<td>35.00</td>
<td>312.84</td>
</tr>
<tr>
<td>02</td>
<td>Next 25</td>
<td>611</td>
<td>24.44</td>
<td>46.97</td>
<td>3.28</td>
<td>9.56</td>
<td>42.38</td>
</tr>
<tr>
<td>03</td>
<td>Rest 60</td>
<td>995</td>
<td>16.58</td>
<td>34.57</td>
<td>1.08</td>
<td>3.57</td>
<td>6.49</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>2,361</td>
<td>23.61</td>
<td>50.02</td>
<td>3.20</td>
<td>9.78</td>
<td>61.42</td>
</tr>
</tbody>
</table>


Fig-2.3

Average Number of Published Books per School
Fig-2.4
Average Number of Published Paper per School

Fig-2.5
Average MDP and Consultancy Revenue
(Rs. In Lakh)
Faculty member may initiate interdisciplinary research, like finance faculty conducting research on entrepreneurship and micro credit. Unfortunately only funding for research comes from the government body. The industry too must create foundation for supporting research in management, like Rockefeller or Ford Foundation. Further more, management faculty must delve in research focused on the problems confronting the country or emerging economics, so that it is meaningful and useful. Finally, a greater emphasis on field research will help faculty to grow.

2.5.6 Consultancy

Consultancy is closely related to research. Faculty may put their research finding to practice by providing consultancy to related industry. Alternatively, they can conduct research to provide consultancy to a corporate house on particular topic, for e.g. marketing strategy for retail or agro-potential in Madhya Pradesh. There is a need for changing the rules for faculty accepting consultancy assignment and sharing consultancy fees to make the same much liberal. Some other measures may be attractive salary structure and benefits, better promotional avenues, flexible timing for teaching, encouragement for undertaking research based consultancy, etc. Providing consultancy to business will sharpen the faculty, infuse confidence and motivate them, there by improving their overall quality. Faculty of management must insist on structure that invites the support engagement with industry.

The changing perspectives in management education need to induce a paradigm shift in the vision of the institution and the role and objectives of faculty members. To suit the present demands, they may be considered as:

- Development of the ability to apply knowledge for solving the practical business problems.
- Improvement of analytical and diagnostic skills, and development of decision-making ability.
- Support the development of imaginative and innovative solution to deal with the real-life business solutions.
• To unearth students' potential to work as effective team members and leaders, to handle tough human problems, and
• To generate entrepreneurial interest and motivate the students towards self-development.

These roles are listed in accordance with the demand of business and industry at present, and the prediction regarding the future of the economy. However, they are evolving in nature and have scope for further improvement, deliberation, debate and discussion.
2.6 Physical Infrastructure in Marketing of Management Institute

2.6.1 Introduction

Cleanliness in doctor's clinic, the exterior appearance and interior décor of a restaurant, the comfort of the seating arrangement in a cinema hall, adequate facility for personal needs at the airport, all contribute towards the image of the service (organization) as perceived by the customer. The common element in these is that they are all physical, tangible and controllable aspects of a service organization. They constitute the physical evidence of the service.\(^{53}\)

2.6.2 Kinds of physical evidence

Physical evidences are of two kinds, viz

a) Peripheral evidence; and

b) Essential evidence.

Peripheral evidence is actually possessed as a part of the purchase of service but by itself is of no value. An airline ticket, cheque book or receipt for a confirmed reservation in hotel is the examples of peripheral evidence. A chequebook is of a value only if you have money in a bank without that it is of no significance. Peripheral evidence in a hotel tourist may find a matchbox, writing pad, pen, complimentary notes and drinks, which may be taken away. These are the representations of peripheral evidence. Such evidences must be designed keeping in mind the overall image, which the organization wishes to project and the reminder value of the evidence in its ability to remind the customer about the organization.\(^{54}\)

Whereas peripheral evidence is possessed and taken away by the customer, the essential evidence cannot be possessed by the customer, the building, its size and design, interior layout and décor, logo and mnemonic device of the organizations are constituents of the essential evidence. The essential evidence is a critical input in determining the atmosphere and environment of the service organization. Contrast to
the essential evidence of a five-star hotel (its long driveway, arrant entrance manned by a liveried doorman, sophisticated décor of lobby) with that of a fast food outlet (with bright colors, loud music, and bright lights) and judges the kind of rich and formal atmosphere of the former with the relaxed and casual atmosphere of the latter. One can use physical evidence to build a strong association in the customers’ mind and also to differentiate the service from the competition. As a marketing manager it is the responsibility to manage the physical evidence in order to create the ideal environment for your service. This can be done into two following ways:

1) By making the service more tangible and
2) By making it easier for customer to grasp the concept of the service

One obvious way of making the service more tangible is by developing a tangible representation of the service as is done in the case of credit cards. Credit cards have physical entity and are identifiable by their brand name (American Express, Dinner, Visa, and Bank of Baroda (BOB)) and distinct looks of the cards. Other ways by which a service can be made more tangible is by standardizing the physical attributes such as locating interior décor, color scheme etc. Most airlines use a uniform for all their staff to help create a sense of identification. Kwality ice-cream vendors and the packaging containers for ice cream have a standardize design of the blue stripes on a white background. Similarly Indian airline’s white and orange color combination is well recognized.

The second way is to make it easier for the consumer to understand the concept of service, which you are offers with ease, perceive objects and ideas. Promoters of package tours may provide detailed information about the hotel, food and transport facility they would be using to help the consumers understand the concrete dimensions of the tour and thus reduce their anxiety arising out of uncertainty. Information, which helps reduce uncertainty and provides specific information about the various dimensions of the service, should be provided to prospective consumers.
While the cost and resource limitations have made the development of infrastructure a challenge for most B-Schools. If B-Schools invest in excellent infrastructure, including residence dorms, state-of-the-art classrooms and library facilities, the size of the batch can be increased. No wonder there is a high degree of co-relation between a school's total score and its infrastructure score.²⁵

So far as the B-Schools are concerned the peripheral evidences are:

1. Quality of Brochure/Prospectus
2. Quality of Admission form
3. Quality of Placement Brochure
4. Quality of college magazine/journal/souvenir
5. Interactive and colorful website and
6. Letter head of the institute

Such evidences must be designed keeping in mind the overall image, which the B-School wishes to project and the reminder value of the evidence in its ability to remind the students about the B-School.

The peripheral evidence is possessed and taken away by the students; the students cannot possess the essential evidence. The essential evidence of B-schools includes the following

1. Institute Buildings, its size and design
2. Interior décor
3. Layout of the building
4. Logo/Banner
5. Hostel building
6. Computer Lab
7. Wi-fi facility within the campus
8. Auditorium
9. Cafeteria or canteen
10. OHP/Projector in class room, and
11. Seating arrangement in the classroom
Technological advancement has changed the landscape of the physical infrastructure of B-Schools in general and creating essential evidence in particular. The high-tech tools play an important role in delivery system of imparting knowledge to the students and also enhancing the conceptual understanding of the students. Moreover, technology has made a tremendous impact on the infrastructure of the B-Schools. The perception of the students gets changed when the modern infrastructure is being developed. Technology with respect to infrastructure development is significant.57

Technology

Technology, at B-School, is not considered a showpiece or luxury but a tool for enhancing productivity of members of the campus, an essential tool for conducting research, and a tool for improving the learning within and outside of the classroom. Schools invest very heavily in these technologies on a regular basis. Several layers of technology exist on these campuses:

- **Computing Technology**

  All schools require that students have a laptop (they specify the model so that each machine is compatible with the courseware); cafeterias, campus housing, faculty & staff offices, student reading areas, student lounges, library etc. are wired; the latest technology on these campuses is to have a wireless computing network so that laptops can be used anywhere on campus and printers/networks can be accessed remotely; a small computer lab with high end machines (often workstations) also exist for extensive computing; most important, all these schools provide 24 hour IT help desk that supports hardware and software related queries/problems.
Chapter-2 7P’s of Marketing of Management Institute

• **Classroom Technology**

State-of-art classrooms have the following: a computer port at each student desk; a teacher’s table from where a professor can control the computer, overhead projectors, lighting systems, microphones, video projector, screen movement (in some cases), etc.; telephone access to the audio-visual support department; most schools have many classrooms that are equipped with video-conferencing facilities; moveable teleconferencing facility etc.; the most recent screen technology is a glass plasma based screen in the classroom where the projection system is located behind the screen but operated from the professors desk; in addition one will find a laser pointer and a remote mouse in each classroom; audio-visual equipment is setup in a manner where the professor can operate it herself/himself thereby not requiring the presence of a technician;

• **Student Support Labs**

Student lounge areas and dorms are equipped with self operated laser/ink jet printers, photocopying machines, fax machines, report binders, punch presses etc - all services are on a charge basis and operated through a smart card or a numerical code; student clubs also have offices and meeting places.

• **Faculty Support**

Each faculty office should be equipped with a desktop with an Internet connection, printer, a UPS system, and a conference call enabled telephone; each faculty is provided funds to purchase a laptop of choice; in addition each department/floor of the building has a smart card operated high end photocopier machine (that can also do collating & stapling) and a fax machine; each school has a video/film viewing room and a small video editing facility with trained professionals supporting this activity.
- **Web Based Course Administration**

This is the courseware sharing technology on the net that manages the interaction between the student, teacher and the administrators. Web café is an intranet programme through which students in a course interact with the instructor of the course and vice-versa – faculty posts lecture notes, solutions of exams, notices, reading material, leads to other sites, grades etc. on the web for access by the students; the students access the faculty through this process (in addition to regular office hours etc.), post assignments, queries, notices etc. Administrators post registration material and class lists and pick up grade for their records. Various formats of web-café have become an essential part of course administration in every school.

- **Career Centre**

Each B-School has a Career Centre that provides counseling, career mapping & advising and placement support to current students and alumni; this Centre stocks human resources and career related magazines and databases; video films and display systems, telephone bays for contacting potential employers, interviewing rooms, office equipment, tele-conferencing & video-conferencing facilities etc.

- **Campus Store, Reprographics**

Campus store sells books, stationery, general and campus merchandise (e.g., campus bags, t-shirts, jackets, pads, pens, mugs, etc. with schools logo), operates a small café/operates vending machines, etc. The reprographics center is the copy center of the school with state-of-art copying, scanning & binding equipment; this center also prepares course packages, orders cases & reading material, handles royalty payments for materials photocopies, scans course/reading material and places it on the Web Based Course.
Administration; it also manages the printing etc. Almost always, third party service providers run these facilities.\textsuperscript{58}

**Library**

The libraries of B-Schools are increasing the digital content in their collection. They are also performing value added service by interacting closely with researchers & teachers and providing them a variety of information services.\textsuperscript{59}

In India the rating of the B-Schools normally considered the following standard parameters of physical infrastructure

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Space:</td>
<td>30,000 square feet</td>
</tr>
<tr>
<td>Teaching Aids:</td>
<td>PCs, Video-conferencing facilities, High Speed internal links</td>
</tr>
<tr>
<td>Administrative Space:</td>
<td>20,000 square feet</td>
</tr>
<tr>
<td>Library space:</td>
<td>10,000 square feet</td>
</tr>
<tr>
<td>Annual Library Budget:</td>
<td>Rs.2 Crore</td>
</tr>
<tr>
<td>Books: CD-Rooms Ratio:</td>
<td>2:1</td>
</tr>
<tr>
<td>Library resources:</td>
<td>On-line connectivity with Indian and global databases</td>
</tr>
<tr>
<td>Students: Faculty Ratio:</td>
<td>6:1</td>
</tr>
<tr>
<td>Male: Female Ratio:</td>
<td>1:1</td>
</tr>
<tr>
<td>Students: Computer Ratio:</td>
<td>1:1</td>
</tr>
<tr>
<td>Residential Space:</td>
<td>15,000 square feet for students, 15,000 square feet for staff</td>
</tr>
<tr>
<td>Alliance:</td>
<td>With B-Schools in the US and Europe for the exchange of faculty, students, and course material. With companies in India, US, and Europe for management development programmes, and case and curriculum development</td>
</tr>
</tbody>
</table>

B-Schools can use physical evidence to build a strong association in the students’ mind and also to differentiate your educational service from the competition. As a marketing manager it is your responsibility to manage the physical evidence in order to create the ideal environment for educational service. This can also be done in to two different ways.

1) By making the educational service more tangible, and
2) By making it easier for students to grasp the concept of the service

One obvious way of making the service more tangible is by developing a tangible representation of the service like making the prospectus/ brochure/ admission form/ placement brochure / website etc as is done in the case of credit cards. Prospectus / Brochure etc have physical entity and are identifiable by their institute name and distinct looks of the prospectus. Other ways by which a service can be made more tangible is by standardizing the physical attributes such as locating interior décor, color scheme etc. B-Schools use a dress code for all their staff to help create a sense of identification.

The second way is to make it easier for the student to understand the concept of service, which you are offering with easily, perceive objects and ideas. At the time of admission the query like admission procedure/ time, place and type of entrance test/ career prospects etc help the students understand the concrete dimensions of the course and thus reduce their anxiety arising out of uncertainty. Information, which helps reduce uncertainty and provides specific information about the various dimensions of the service, should be provided to prospective students.
2.7 Process in Marketing of Management Institute

2.7.1 Introduction

Process is also one of the major components of service marketing. The way in which services is being offered determines the quality of the services and reflect the image and integrity of the organization. The process of imparting the education and making the learning more enjoyable and understandable is totally dependent upon the well design process. Process includes - Policies, Procedure, Mechanization, Flow of activities etc.

The major features that distinguish top and ordinary business schools are “what they teach” and “how they teach”. Considerable attention is given to themes, contents and pedagogy. Pedagogy plays a significant role in developing the quality of students in general and catering the right manpower to the corporate houses in particular. The role of pedagogy in imparting context specific knowledge to the students is delineated hereunder. 60

2.7.2 Pedagogy

Academic quality is not necessarily contingent on the students' quality. More intelligent students and better resource endowment certainly facilitate the teaching process, and may also generate a more effective learning process. However, academic quality may be enhanced not only by procuring better quality students but also by improving the quality of students. The important question is what skills do business students need?

Traditionally, higher education was designed to make students learn the body of knowledge available in management field included into theoretical framework developed in this area. Nowadays, higher education in management field has to be much more practically oriented and should consider the main feature of competitive economy. Management students should be simulated to apply creative thinking during
their development process. Theory, practice and reflection must continuously be linked to provide an actionable learning experience. University have to produce management graduates who have the personal, social and communicative attributes that modern organizations need to defend their position, to achieve their objectives.61

An important feature common to most business schools in India is the mandatory summer project that students need to undertake between their first and second years. Students are expected to work with business organizations for two months at least. This is similar to internships in the US, except all students are required to undergo this. This allows schools to introduce local context in their curriculum, going beyond simply using the American textbooks and discussing Japanese principles in the name of the global content is of not much use to the Indian students. Further, many of these schools have strived to cater to the specific needs of the local businesses by offering specific knowledge-based sectoral programs, such as by including real-world projects and forging strong interfaces with the industry.62

Many organizations need executives with real capabilities to understand different situations, to decide the more adequate solutions, and with the practical knowledge, which satisfy their needs to sustain competitiveness. More and more, organizations are looking for executives who have good communication skills because it is necessary, for instance, to introduce a product portfolio, negotiate selling condition, and to create positive image of the organization. Moreover, manager also need to be good team player, have good social skills, and able to persuade and relate other according to different professional situations and organizations needs.63

This means that universities and the higher education institute provide quality manpower to the market should be more closely tied to the most important characteristics of organizations, industries, and to the needs of economic development.

Universities and management educators should maintain a frequent contact with industries, management associations and government organizations in order to offer
their capacities of realizing useful research, adequate consulting services, development projects on a regular basis, practical experience in the form of live projects, assignment in industry and new initiatives and teaching methods. But the question is how this can be achieved?

Following are the some of the innovative pedagogy strategy adopted by Indian B-Schools to achieve this objective.

- **Industry Institute Partnership**

  NITIE has a partnership with Tata InfoTech Ltd, Godrej etc which help in getting information about new business needs and challenges. **Indian Institute of Foreign Trade (IIFT)** puts lot of emphasis to industry interaction. First, every course coordinator has to invite someone from industry for a guest lecture. Then, it also has course that are taught entirely by the industry representatives, like those of international marketing research, commodities trading etc. In fact, the importance of such courses is given from the fact that these courses make up **20 percent of its curriculum**. Then, student activities are planned, so has to increase their interaction with the industries. For illustration, it organizes national-level symposiums in association with industry associations like ASSOCHAM and CII. At these symposiums, students get to interact with speakers and industry delegates. They also release a **white paper**, which shows the industry how depth of knowledge possessed by the students.

- **Arth Mutual Fund**

  A quasi mutual fund managed by students to get practical exposure to the world of financial assets management. “Arth” also received mentorship from people in the mutual fund industry.
• **Self Teaching Mechanism:**

This idea is the brainchild of Prof Ashok Pundir and has been implemented in different areas at NITIE. The traditional concept of learning mechanism in which a group of students are given a topic and they prepare a presentation on the same for the rest of the batch with requisite additions of new examples that help widen the concepts and at the same time simulate lateral learning.66

• **Mandi**

A direct selling experience is given to the students under the name project: “Mandi”. Students are divided into group of 8, each given 4 products to be sold directly to people on the streets. Each group is given Rs 3000/- of inventory and given minimum sales target. The students are free deciding their pricing strategies, marketing methods, area of operations etc. After the day long experience, surveys are distributed to be filled up by the students analyzing the experience from a marketing, economics and organization behaviour point of view. The students are also graded in the above three subjects on their sales performance and analysis. The profit is given to the non-government organization (NGO) in order to promote scientific education among children.67

• **B-Chopal**

Here, professor stressing on theoretical fundamentals teaches the initial phase of a class. In the latter phase, the professor’s role is taken over by the students, elaborating on the practical applications and latest developments in the industry. The class ends with a discussion amongst the students with the professor acting as the moderator.68
• **Functional Forums**

There are forums for each functional area of management like MIG (Marketing), Street (Finance), C2X (supply chain), Techomatrix (IT) and CIE (Entrepreneurship), each mentored by professor in its respective field. The professor oversees weekly presentations by the students on the latest trends in each field and the curriculum is shaped in consultation with the respective forum members.

• **Communication Skills**

Students are also given topics by the communication skill professors, which they have to present in a studio in front of a video camera. These recordings are subsequently screened in the front of entire class and various aspects of each individual’s communication skills and body language are discussed. The students are finally graded on the basis of their performance.

• **Teaching Entrepreneurial Skills**

Management education appeared more focused on the elimination of risk than on risk taking. Every effort must be made to teach students about risk assessment and risk-taking. Interaction with small but successful entrepreneurs is educative and sometime most inspiring. Shifting the focus of management education away from creating managers to entrepreneurs cannot be achieved in a management education programme. But management education can provide an exposure to entrepreneurship and risk taking. While entrepreneurial skills are difficult to teach, business school should encourage exposure to entrepreneurship.

Case study, seminars, Business Ideas Competition can showcase examples of successful entrepreneurship including those in non conventional sectors such
as grameen banks, self help groups, cooperative etc. Perhaps they could be taught of experience and manage failure and so anticipate it and manage it, an essential quality of entrepreneurship.

A model that could be evaluated and perhaps copied by others is from IIM-Lucknow: A new course in “New Venture Planning” gives perspective from different functional areas marketing, finance, operations strategy and also perceptions of business plans. IIM Bangalore has “Nadathur S Radhvan Centre for Entrepreneurship Learning” that has state-of-the-art incubators to help entrepreneurs launch their business plans into commercially viable products and services. IIM-Ahmedabad has set up a Laboratory in Entrepreneurial Motivation that simply targets the fear factor involved in spurning or giving up a job to start out on your own. Wadhwani Center for Entrepreneurship Development, ISB- Hyderabad and TiE will feature nine verticals, including sectors like biopharma-life sciences, semiconductors, media and entertainment, sports and infrastructure and real estate. “Aspiring entrepreneurs, early stage ventures and growth stage venture will get to interact with successful entrepreneurs as well as potential investors by way of VCs, both from within the country and abroad.

• Yoga and Meditation

Yoga and Meditation might be incorporated into the programme to help develop concentration, stamina and focus. Developing of soft skills is very much important for management students so for enhancing communication skills, exercise such as debates, role-plays, and elocution, participation in organizing and managing social and cultural activities could yield good results. Using technology – video feedback on communication skills, networking for sharing videos of good orators etc could be beneficial. Management Development Institute (M.D.I) has a personal growth laboratory that helps students to understand their strength. Students at Faculty of
Management Studies (F.M.S) are helped to enhanced their **Spiritual Quotient (SQ)**, which is stated to be the sum of **IQ and EQ**

- **Projects**

  Summer projects need not always be at high conceptual and analytic levels. Almost any corporate work, even at a relatively low or simple level (accounting entries, selling, field research), provides learning that would be useful. **Tata Institute of Social Sciences** depute its students to the field for two days a week. This could be a good model for business schools to follow, with students being required to go into the field on specific studies on a regular basis.

- **ET Session**

  These are the series of special sessions, assigned and included within the pedagogy to help students apply the knowledge gained during the regular course lectures to current issues. The sessions consisting of all the **participants**, a couple of **professors and industry experts** are interactive in nature. Participants are expected to browse through major headlines from some of the reading financial publications, especially **The Economic Times** and **The Economist**, covered in recent issues. They are then expected to deliberate on those issues for some time before coming to the session, to attain an insight into the subtleties of each issue, headline or news item. Dividing participants into groups then further increases the scope of such session. Each group is entrusted with the responsibility of taking up a current issues or an event and carrying out in-depth research on the same. Discussions are then carried out and presentations made in the classroom about various factors surrounding the issues/ events and an attempt is made to apply concept learned during the course to such events. Professors who chip in with relevant insight wherever appropriate moderate the proceedings. The industry expert provides his/her opinion on the way the industry is moving or shaping up.
• **Role Play**

The traditional methods of instruction tend to be too slow to catch up with the pace. Unlike most traditional method of instruction, role-playing has proven effective in many training settings. With the traditional method of training, the tacit belief is that trainees are made to learn too much by cramming and too little by understanding. In most cases, concepts leaned are soon forgotten because they are often taught in isolation of direct practice. This is so, especially with such traditional and/or conventional training methods as rote, lecture, reading, writing and so on. In contrast, role-playing accelerate acquisition of knowledge, skills and attitudes, and offers educators, trainers and learners the opportunity to observe growth and progress in both teaching and learning transaction in a more practical way. A review of the literature suggests a direct relationship between the role-playing and effective learning.  

As claimed by the Eligton being involved in the operation is the way we are most likely to really learn: in short, in role playing one learns by doing, by introspecting, by observing, by giving feedback, and by engaging in an overall analysis of the total activity. In most training programme, role-playing goes under a number of headings including, Sensitive Training, Simulation, T-group, Action Learning, Encounter Group, Psychodrama and Sociodrama, Laboratory Method and Drama and so on. For example at IIM-C, which emphasis on all-round development of future leaders, the dramatics cell of IIM-C and leading theatre group Nandikar is hosting “Journey into Theatre” a workshop to promote acting and performing arts as a tool of communication that extends to real life. Besides helping the participants to explore their creative talent through the medium of drama includes the host of games designed by Nandikar that will model challenging situations similar to those encountered in corporate life and explore how managers react to them. These situations run the entire gamut from negotiations trust building in a
team, politics and business ethics, and all courses, which are incorporated in IIM-C curriculum. \(^75\)

- **Case Study**

To give a simulation in to the real life situation many management institutes in India give exposure to the real life problems/opportunities through case study method. The case study method is the brainchild of Harvard Business School. The case study adds rigor, interest and involvement in the learning process. Case study is far more interesting than lecture\(^76\)

IIM-A is famous for teaching through case study-method. For example IIM – A will bring out a case study on the bidding process for the modernization of the Delhi and Mumbai airports. The case study will focus on issues such as transparency by government, weightage given to technical and financial components while going for the privatization. IIM- A faculty members strongly believes that these issues are also important from the management perspective. IIM-A has also prepared the case study on Indian railways and on “Whether or not to restructure?” based on the Case of Gujarat State Fertilizers & Chemicals Limited – by Ravindra Dholakia and Shailesh Gandhi have now include as a part of curriculum. \(^77\)

- **Business Game**

When learning becomes playing it is more interesting, the receptivity level of the students is also high and the complex phenomenon of the management can be put forward in a much better way. Through business game it is possible to simulate real-life conditions. For example business games like “AD Make Show, Stock-Market Game, ATM (Achievement Training and Motivation) Game etc. These games are designed not only to developed problem solving skill but also to develop lateral thinking to generate more efficient way of doing things. \(^78\)
• **Use of Information Technology and Computer Software**

Strategically, the processes of management education process also depend on a technology effort, which may include on-line learning, using software like Statistical Package in Social Sciences (S.P.S.S.), Primavera, MS Project, SAP, Tally (Accounting software), PROWESS etc. These softwares impart a true asset of knowledge-oriented organization and the integration of different technology should be emphasized. However, dealing with computer equipment, software, several information and communication technologies, that universities are using required applied knowledge-based approach and knowledge management perspectives.  

• **The Com-Smart Contest**

A live Commodity Trading Contest for MBA students, was designed and run by IL&FS’s wholly-owned commodity trading arm IL&FS Investment Commodities (IICL), the idea was to keep the whole contest as close to real life as possible so that players experience the genuine highs and lows of the business. Management institutes like IIMs, ISB, SP Jain and FMS prepares their students for this contest.

A model of management education can be proposed from the above discussion. It emphasis that teaching activities and the production of management graduates can be the logical results obtained form an integration of management teaching techniques based on the theoretical resources, teachers’ personal experience, partnership with corporate houses (industry interface) and pedagogical tools.

The fig 2.6 shows the main sources through which knowledge can be acquired and transmitted (theory, theoretical resources, teachers’ personal experience, partnership with corporate houses and pedagogical tools.) Management educator would have to
integrate all these sources to obtain a better capacity to teach in the domain of higher education and to be able to build-up a better level of graduate managers.

In a given sense, their activities correspond to a production process, which must prepare students for the job market. Besides, the success of teaching activities would depend on a specific quality control system. This system should contribute to a higher probability of obtaining future managers who maintain desire to grow, and continue learning to fit the changing needs of organizations.

This model has been conceptualized according to the required perspective. This can further be validated as shown in figure 2.6
Main Sources of Management Education

**Theoretical Resources**
- Management Theory
- Traditional Theory
- Innovation Trends
- Scientific Research
- Advance in Pedagogy course to update knowledge

**Personal Experience**
- Professional Experience as manager
- Training Courses (management and pedagogy)
- Previous consulting experience
- Learning efforts to update knowledge
- Technical qualification as specialist

**Pedagogical Tools and Partnership**
- Examples (high number)
- Exercise (management situation)
- Case Studies (High Number)
- Training Periods in firms
- Visits to organization
- Consulting Services (teachers as consultants)
- Benchmarking studies
- Strategic Planning Initiatives
- Seminars and Conferences (presence of managers)

**Management Educator Integration of Management Training Technique**

**Teaching Activity as a Production Process**
- Delivering Knowledge
- Developing Existing Skills
- Creating New Management Skills
- Teaching Activity Quality Control

**Student as a Future Manager**
- Acquisition of Knowledge (Management Theories and Practical Understanding)
- Receiving Knowledge from educators' personal experience
- Obtaining the benefit from the partnership
- Experience in solving problems and decision making process
- Better qualification as consequence of integration of management teaching techniques
2.7.3 Concluding Remarks

Offering variety of specializations or electives considered to be a "product innovation" as far as education sector is concerned. Showing agility by offering different specializations is a reflection of sensing the pattern of opportunity and grabbing it at the right time, gives an early mover advantage to B-Schools. Product mix (Number of specializations, electives, Management Development Programme, (M.D.P) Executive Development Programme (EDP), etc) helps to capture the growing need of the market and develop the new stream of generating revenues and resources. However, care need to be taken in designing the course-ware. Relevant course-ware back-up by industry support is a must to create employability for the students. Since the product in education have a wider meaning and also includes ‘quality certification and duration’ as well. Quality certification gives an “added confidence” in the mind of the students, faculty as well as corporate houses. The third aspect with respect to product is duration. With the advent of globalization majority of B-Schools offers PGDM of one-year duration. It is, therefore, necessary for B-Schools to offer the specialization which are addressing the need of the market coupled with quality certification and appropriate duration.

Price is the only P in marketing mix, which generates revenue. Rest of the P’s is cost oriented. The cash flow of the institute depends upon the amount generated by proper pricing i.e. fees. In all types of business, the cash flow takes place through out the year but in education the major chunk of cash takes at the beginning of the academic year. All the activities, expansions programme, salary of the staff and upgrading of infrastructure are totally depend upon the price. Of late, many management institutions started generating money by organizing management development programme and other short-term courses. The importance of price gets multiplied in the environment of competition and withdrawal of the government’s funding. Moreover, the Indian consumers are very much price sensitive and fees need to be determined keeping the Indian consumer psyche. B-Schools must offer peripheral
services like loan facility, scholarship to attract the meritorious students and built up a
talent pool. Fundraising activities should be managed properly so that an endowment
fund can be collected which may be used for the development or to deal with any
future contingency.

**Availability** drives the consumption but to make the product / services available is a
mammoth task for any organization. Market can be expanded thorough distribution of
the product / services. However, the task gets more complex when service offered by
the organization crosses the local boundary. So far as the educational institutes are
concerned the numbers of applications received by institutions depend upon the type
of distribution model, number of distribution centers and number of entrance test
examination centers. Traditionally, B-Schools have only one location and the students
have no choice but to go in person to purchase the application form or to appear for
entrance exam. However, with the advent of information technology, B-Schools
started selling their prospectus or application online. Majority of the B-Schools tie-up
with the nationalize bank or coaching class to sell their forms. Of late, some of the B-
Schools have changed their traditional format of offering services and cross the
national boundary to make their institute globalize. Therefore, it can be concluded
that the distribution plays an important and significant role in expanding the presence
of the institutes.

**Promotion-mix** plays an important role for the growth of an organization. To create
an awareness, to keep B-School brand in students' mind, to develop the positive
image of B-School etc are some of the primary objectives of promotion. However,
the promotion-mix (i.e. advertising, sales-promotion, publicity, public relation etc)
should be applied, keeping in mind the objectives as well as type of product or service
offered by the organization. Wrong selection of media could be counter productive
and may tarnish the image of the organization/ B-Schools. Applying promotion-mix
in service sector in general and in marketing of B-Schools in particular need lots of
deliberation. Generally, Management Institutions advertise once in a year i.e. at the
time of admission. However, to keep institutes in limelight and to acquire the top
position in the mind of students / stakeholders management institutions should use the judicious blend of promotion-mix.

Management educations have to focus on the topics to be taught (i.e. what has to be taught) and method of delivery (i.e. how it has to be taught). Management education has to give emphasis on making management education relevant to the Indian Context, the themes to be covered, and the way the topics have to be dealt with. Detailed coverage has to be developed for each subject. Since management is a practice-oriented domain, management education has to incorporate an element of on-the-job training. This will need a mix of concepts, cases, exercises as well as simulations for themes such as business strategy, market planning, business negotiations, leadership, business ethics and teamwork. The main lesson that one can glean from an analysis of US Business education is that they give considerable attention to context design and theme delivery modes.

The other important aspect is that both European and US management education has been made context specific through cases, exercises, experiences, sharing, problem solution and simulations that are prepared for the respective business contexts, whereas management education in India has yet to be made context specific. There has to be a massive effort to prepare context specific materials. This will need willingness on the part of Indian business groups to share materials for case preparation.

We have to examine whether we need a degree like MBA for the Indian context, as management education without any practice is of no value. Though there were many committees on management education in India (Annexure - 2), most of them did not delve into content and delivery, and these continue to be neglected action initiatives in Indian business education. Management institutes may have best intellectual capital as well as physical resources that help them to attract students but ultimately it is the delivery / method of teaching or the way in which the knowledge is being imparted to the students makes the students satisfied.
Effective and efficient use of resources is not only depending upon its availability, facility, and constraints but also depend upon the quality of human resources. In the era of globalization it is not the war between the big and the small but it is the war between the fast and the slow. Organization may fail even if it does not have physical resource constraints but it will surely fail if it has talent constraints. The importance of human resources gets multiplied, when services is being offered to the consumers, because the human agent plays very crucial role in delivery of service. The quality of organization is being reflected in the attitude and aptitude of the human resources. So far as the B-Schools are concerned human resource or intellectual property includes Faculty members, Administrative staff and students. People are considered to be input and the output (i.e. quality of placement) is depending upon the quality of input. Therefore it can be concluded that the quality of people gives better growth prospect and sustainability to service industry in general and management institute / education sector in particular.

Majority of B-Schools are housed in relatively new or upgraded buildings with state-of-art support infrastructure and effective staff. There is a strong recognition at these places that physical infrastructure also needs to be renovated along with changes in the academic requirements & perspectives. As a result all of these schools continuously re-furbish their old buildings and interiors and add new sites to their schools while demolishing old ones. This allows the schools to provide for contemporary infrastructure and spaces for modern teaching and research activities.
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