



Industry – Institute Interface in Management Education : Optional or Outfitted

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Abstract: Trade and service sector have been playing a crucial role and world economy moving around it in the era of globalization business. The principal sub sectors/services sectors like banking, insurance, capital markets, communication, retail, tourism and transport are being treated as separate thrust area for necessary development. These substantial initiatives aiming at educating customers and equally significantly are the intermediaries involved in providing services to different users. Contemporary institutions and universities lack dynamism and innovative approach to link curricula towards skill formation. Thus university-industry linkages are required to develop a dynamic relationship with industries in order to make their courses relevant and in fine tune with requirements of job and technology.

Key words: economic growth, globalization, management education

Introduction

Management education and industry plays a very important role in economic growth of the country. A productive interface between industry and management education is a critical requirement for inclusive growth. Management Education is trying to address the demand for better institutional collaborations. In this context, the question of interface initiatives between management education and industry has become highly topical. The interface between management education and industry in the Indian context are analyzed through selected case studies. A comprehensive list of current and possible forms of industry engagements by higher education institutions is identified and these are grouped into different cells for institution-industry interfaces. As institutions are continuously looking at methods to improve themselves, the implication of industry interfaces on

educative process and its link with action learning are suggested for future studies.

The world of management education in the 21st century can truly be borderless world of knowledge, ideas, innovation and leadership, which will yield reciprocal benefits to universities and industries. The industry university collaboration can yield significant benefits for both sides. The growing presence of multinational Corporations in India, together with India's own emerging high-tech industries, holds considerable promise for universities partnerships in areas such as curriculum development equipment, donations, and faculty training and student scholarships.

For India to broaden and expand its niche in the global market place of management education, it requires bold and innovative leadership by university Vice-chancellors. Therefore, management education is considered to be a national responsibility. Institutions and universities lack dynamism and



innovative approach to link curricula towards skill formation. Thus University-industry linkages are required to develop a dynamic relationship with industries in order to make their courses relevant and in fine tune with requirements of job and technology.

The Context of management education in India

Management education in India has been gaining popularity with every passing day and the increase in number of B-schools in various parts of the country is an ample testimony to the fact. Management education in India formally began in 1953 at the Indian Institute of Social Welfare and Business Management (IISWBM). The Government of India launched Indian Institutes of Management (IIMs) as centres of excellence in Management education in early 1960s. The first Indian Institute of Management was set up in Kolkata in 1961 and second in Ahmadabad in 1962.

At present there are around 1200 business schools recognized by All India Council for Technical Education. According to AICTE, in 2009; 1,608 institutes conducted AICTE-approved MBA programmes with an approved intake capacity of 128,947 students. Another 391 institutes conducted AICTE-approved (Post Graduate Diploma in Business Management) PGDM courses with an intake capacity of 44,318 students. In the wake of liberalization, privatization and globalization Indian B-schools have to rise to the challenges of producing global managers. In order to tap the opportunities and to meet the challenges Indian business and industry needs skilled and competent people at all levels of management.

The Concept of Collaboration

The collaboration between the university and industry is dynamic and complex. A synergistic relationship has to be carved between the universities and the industry so that both can benefit and also contribute to enhancing the entire teaching-learning process. Often a number of institutions and industries claim to collaborate with each other. They claim to be collaborating just by the way of the institutions offering a course to industry personnel or through transfer of funds from the industry to the institution or by providing placement opportunities to students. Collaboration has clearly defined as a joint effort wherein each individual provides specific products and services, which lead and contribute towards a common goal. This kind of collaboration would be more meaningful and effective, as it would benefit both the industry and academia. To make an analogy, it can be said that before we expect something we need to give something. This can also be understood from a business perspective that before we expect a quality product to come out the industry need to put in lot of efforts, time and money. This kind of collaboration would certainly lead to cost effective and customized education and training. Also help the industry to save on spending a lot of money and efforts on training their new recruits.

The Circumstance of Consultancy

The faculty of elite management institutions is engaged in consultancy, often to an extent affects teaching and research. On the other hand most of universities doesn't have significant consultancy activity, which makes the teaching to be of much value in the profession. It is desirable that industry/business and the academia should collaborate in encouraging



exchange of experience between working managers and management faculty of universities. As a part of university exchange programme, it invites working managers as full time/part-time faculty members; similarly the industry should also invite faculty members for short time or full-time assignment or consultancy and training programmes.

The modern approach of education is to constitute a consortium of industry and the academia. This approach would help channel the funds to keep up with the need to update the resources. It may also fund the subscriptions to a lot of journals, which are very important for the institutions/academia. It is certainly benefit the participating industry in many ways. It helps both parties to get to know each other requirement through an effective and efficient system of education providing a number of benefits to the students and faculty members. This in turn will help them access key minds, material and concepts increase credibility. The universities and institutions will also benefit from the consortium, as they can receive heightened visibility, providing an access to practical issues, problems and experiences. The consortia of industry will help them to participate in the real life situation, giving an opportunity to the faculty and students for interacting with the parishioners. Neither the collaboration nor consortium approach is possible if an industry may adopt a university/an institution or implement training programmes to train the faculty members of such institution in the industry environment.

The Core Challenges in B-Schools

Over the past few years, the number of institutes offering management education in India has

increased noticeably. This has brought along a set of challenges for the industry. Although the Business Schools in India have a huge untapped market, various hurdles they face are as follows:

Difference in industry needs and educational curriculum: Industry needs are constantly changing. However, the curriculum in business schools is not changed as regularly as required by the industry. Moreover, there is no uniformity in the standard and quality of education provided. Since most of the management graduates and post-graduates are primarily absorbed by the industry, there is a need to match the curriculum and structure of management education to industry requirements.

Dearth of quality faculty: Establishment of a large number of private business schools has resulted in dearth of quality faculty. New institutes, some of which are backed by private business houses, are willing to offer huge salaries to recruit experienced faculty members of existing institutes. This dearth is being experienced even at top B Schools.

Mismatch in student faculty ratio: As demand for management education being huge and supply of qualified teaching faculty available in the institutes being limited, there is a huge mismatch in the student to faculty ratio. While some institutes have a better student to faculty ratio at 3:1, there are some with 15:1.

Shortage of quality institutes: Government of India is aware of the huge gap between demand for quality institutes and supply. The number of students registering for CAT exams has been increasing, but existing institutes are unable to match this. To



overcome this problem, Government of India's Eleventh plan has proposed to set up eight new IITs, 20 NITs (National Institute of Technology), three IISERs (Indian Institutes of Science Education and Research) and seven IIMs. While IIM Shillong commenced operations in 2008, two of the proposed IIMs (IIM Ranchi and IIM Rohtak) started functioning in mid-2010.

Conclusion

In the era of globalization business, trade and service sector have been playing a crucial role and world economy moving around it. The principal sub sectors/services sectors like banking, insurance, capital markets, communication, retail, tourism and transport are being treated as separate thrust area for necessary development. These substantial initiatives aiming at educating customers and equally significantly are the intermediaries involved in providing services to different users. Contemporary institutions and universities lack dynamism and innovative approach to link curricula towards skill formation. Thus university-industry linkages are required to develop a dynamic relationship with industries in order to make their courses relevant and in fine tune with requirements of job and technology. The increasing globalization of economy, growth of industrial sector in India coupled with competition for limited resources has brought unprecedented pressures and challenges to the Industry institutes collaborations are vital and it has also offered an opportunity to improve the economic growth and the quality of life.

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