

Quality of Management Studies: the Difference in Theory and Practices

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Abstract

Management is a vast area of study, which is constantly advancing and increasing its grip in today's contemporary era, no matter if the working area is Arts, Sciences, Utility Generation, Production, and Marketing. Management is constantly being used in these areas and is becoming a vital part of an organization that later generates large profit margins.

The present Indian MBA teaching scenarios has changed considerably in the past 5 years. The reason for the change is simply that the MBA degree appears to be losing its significance as a degree because it is now offered to students in the form of a distance-learning course. The shift degree from the practical to theoretical course, lack of properly trained academic staff, and deficiency in the curriculum design have been found to negatively impact the perceived value of this degree. The boom period (2000-2005) for the MBA education has hit a halt as a declining number of students apply for this course. A Deviation between student aspiration before and after enrolling in the course, the discrepancy in expectations of the institute from the student and, the variation in the quality of the MBAs demanded by the production sector (goods and service) and the quality of the MBAs supplied have been found. This study focuses on reasons for the decreasing the number of MBA enrollments in Jodhpur; and the need for a major shift in MBA teaching approaches.

Keywords: MBA Education, Indian MBA Education.

Introduction

The Masters of Business Administration, or MBA degree has been offered now for 100 years of its existence and continues to attract students from various streams of study all over the world. It is also considered a benchmark of a high life standard for the aspirants. The MBA, which shares a space up on the mantle with other professional degrees such as the Charter Accountant, Company Secretary, etc. are offered as full-time, part-time, executive, and distance learning modes. It has a difficult admission process including, but not limited to, high quality entrance exam, work experience, reference letters, personal interviews, strong academic and social background, and much more. The course is slowly losing its grip in the Indian education market as a plethora of institutions lure candidates with the shine of scholarships and reduction in fee structure. Additional strategies for winning students is to offer reduced admissions and fee rates to girls in order to fill the required amount of seats, which helps institutes fulfill the requirements for Gender Diversity. However in spite of these attempts the local and international student ratio is standing still at zero for the past years.

The surplus supply and reduction in demand of Management candidates by Indian industries has led to the growth in the number of MBA institutes in India. According to the latest figure released by AICTE more than 145 MBA institutes and many engineering colleges which were offering MBA courses have shut down due to lack of admissions in their MBA programs. The number of postgraduate diploma programmes in management institutes has also dropped from 606 to 600 in the same period.

While attending the UGC Sponsored Conference at the Jai Narain Vyas University Jodhpur that focused on the emerging trends and issues being faced by management in recent times, some questions that most of the attendees were wondering about was - why there is a continuous decline in MBA admissions?. In connection to finding the answer, the following research study will also shed some light on why there is a significant gap between the theory of management education and its practicality.

History of MBA education

With the evolution of MBA, the courses have entered different markets and fields of study: MBA in Hospital administration, Masters of Public Administration (MPA), MBA in Military Operations, MBA in Travel and Tourism, MBA in economics etc.

“The Indian Institute of Social Welfare & Business Management (IISWBM)”, a graduate school in Kolkata, which was established in 1953, made the Introduction of the MBA course of study in India possible. The starting of the main stream MBA degree was the Master of Science in Commerce degree. Then the Graduate School of Business Administration (GSBA) was set up at Harvard in 1908, which offered the first MBA course with more than 30 students and a faculty of 15 professors. The globalisation of the MBA degree began in the midst of 1950s with The University of Western Ontario in Canada offering MBA. The University of Pretoria in South Africa followed suit. In 1957, INSEAD became the first European business school to offer an MBA program. The University of Chicago’s Booth School of Business was the first to offer the Executive MBA (EMBA) program to working professionals in 1943. In 1986, the Roy E. Crummier Graduate School of Business at Rollins College (Florida) was the first MBA program to require every student to have a laptop computer. Now, Universities worldwide offer the MBA degree. The degree having a huge

Admission Process

To apply for a MBA degree the candidate has to pass the GMAT (The Graduate Management Aptitude Test). Some business schools also require applicants to pass the GRE (The Graduate Record Examination) in the place of GMAT. After qualifying the entrance exam, the candidate's work experience, past examination transcript (the candidate has to score more than 50% in his or her bachelor's degree in order to qualify of MBA), personal statement and essay, reference or letters of recommendation are put under scrutiny. If the candidate's above-mentioned paper work is in order he or she is called for a personal interview. When the candidate clears the interview he or she is enrolled as a student and expected to finish the MBA in two years.

In order to increase profit margins and fill the required amount of seats in the program, many B-schools, Business colleges and Universities in give less weight om GMAT and GRE scores. In addition, personal essay writing may be removed, and students with little or no work experience may also be enrolled.

In Rajasthan there are two large institutions which provides MBA degrees RTU (Rajasthan technical, University) and J.N.V.U (Jai Narain Vyas, University) other private colleges are affiliated to these colleges and these affiliations let these private colleges to run the course and provide the degree. To enroll at RTU, the candidate must go online for the CMAT (Common Management Admission Test) counseling and then register and select the colleges they would like to attend. The details of the students are then forwarded to the selected colleges, which is followed by an analysis of their application. After that the selected students are informed of their selection and the enrollment procedure. To enroll at JNVU, the candidate must sit the RMAT Exam (Rajasthan Management Aptitude Test). Once qualifying, the student then registers and waits for the admission list. The university has limited amount of seats which means admission is allotted to students who have the best academic background and work experience.

Course Content

Most top MBA programs cover similar subjects within their core courses. The course runs on a semester basis in which the syllabus is divided into four semesters, and should be completed in two years. All students attend the same. In the second year, the last two semesters students choose from a range of electives, such as: - Marketing, Finance, Human Resources, Travel and Tourism, International Business, Operations Management. Some institutes in India, have started offering specializations such as: Rural Management, Banking and Finance, Insurance Management, Organizational Behavior, Entrepreneurship and Project Management, Health Management, Hotel Management, Business Analytics Management, Oil and Gas Management, Aviation Management, and Media Management.

Research Methodology

The following research study is based on dual- primary and secondary data, the study will include a three phased data collection: -

- 1) Newly enrolled MBA students will be provided with a set questionnaire to find out their course aspirations.
- 2) A structured interview with industrialists to ascertain what they expect from MBAs
- 3) A structured interview with experienced college faculty members to gain an insight on the vast shift of MBA education.

Research Findings

As per the information provided by the Rajasthan Technical University (RTU) of India:

S.NO	Year	Total Passed Candidates in MBA
1	2010	3734
2	2011	3902
3	2012	3349
4	2013	2450
6	2014	1889
7	2015	Result not declared.

* DATA PROVIDED BY RTU- KOTA.

The study has been conducted to find out the reason for such a major downfall in the number of MBAs passed from 2012 to 2015. The reason for the same is divided into three parts: firstly, the point of view of the students, in which reasons for the downfall in the MBA admissions was given. Secondly, the data that shows how the colleges perceive the reduction of MBA admissions; and thirdly, data from industrialists are presented in terms of their expectations of MBA graduates.

The Students

The questionnaire revealed that for many students the degree has lost its value and importance. The reason for this is that a great many institutions offer the MBA as a distance education in which the candidate is not expected to go to class. It appears that students hedge a negative attitude towards study materials that come via post, or the attendance of online classes, or even online exams. Although distance learning is economical compared to conventional means of education in which students attend classes at a university, many students believe it cannot compete in terms of quality.

The questionnaires also revealed that students felt MBA courses lack in practical experience in terms of training, internship, communication skills and language with MBA students coming out with less of practical based knowledge the demand for them in industries also reduced.

The Colleges

A series of interviews with many college faculty members unveiled that increasing fee structures and earning more profit margins are becoming the new motive of MBA teaching colleges. The objective of teaching and training have taken a back foot because of increasing competition in the MBA teaching market which are offering variety of courses, apart from that lack of proper infrastructure and funding in terms of financial grants and projects are also resulting in trimming the size of faculty members required to keep the degree alive.

The Industry

A close discussion with some industrialist who are looking to hire fresh MBA graduates disclosed that many industries in India Requires workers they need a person who is good at what they do, not someone who has an MBA and doesn't knows the basics of the companies operation, so the degree doesn't matter, the training does.

Industrialists with their aim of labor exploitation hire people who have less salary expectation, they think that hiring a MBA will cost them more in respect of salary and non-monetary benefits. Many of the industrialists also pointed out that they are have completely lost the faith in Indian MBAs because they keep on hearing news about fake universities who are selling MBA degree for money and not actually tutoring and training the candidates.

Conclusions and Suggestions

As the Indian economy is developing and growing and allows a higher standard of living, the importance of education, is moving up on the priority list of the Indian government. With the increase in global competition the need for experienced, professional and knowledge-based society is one of the biggest challenges faced by the modern twenty first century in India. A strong and focused MBA program can help in solving the problem. Some of the suggestion that came into relevance after conducting the following study, which can ensure that the Quality of MBA education in India should remain similar in theory and in practice and can improve the class of business education in India: -

1. Central and State universities should do a continuous appraisal regarding the quantity and the quality of students being enrolled in MBA.
2. MBA should be given the same importance as Charter Accountant and Company Secretary is given in Indian education society.
3. Private colleges should make counseling compulsory for graduate students who want to take admission in MBA so that the students have a clear picture about the course.
4. The HRD (Human resource Development) ministry of India should introduce MQE (Management Qualifying Exam), which will be a common qualifying exam running in all India for students who want to enroll for MBA. The qualifying exam should be of 100 marks, including both subjective and objective questions; student's personal essay should be included in the same exam. The MQE should include question on the following subjects Logical Reasoning, Management Aptitudes, General English, Current Affairs and Global Economics. Specific subject areas like Marketing, Finance, HRM, and Law should be avoided so that students from different fields of education (Science and Arts) can also be encouraged to take the test.
5. MBA colleges should make practical training and Internship compulsory for all the students it should not be limited to one or two semesters instead should run in all four semesters. Training should be given equal weight age in exams as theory subjects are given. Internship in student's interested field of subjects will give them better job opportunities.
6. Continuous up gradation should be done of MBA faculty via Faculty Development Programs. Teaching with the help of laptops and usage of specific computer software like SPSS, Windows Office should be made compulsory for all the teachers.
7. A three-way open communication system should be designed by all colleges, which should run them, the students and job placement agencies, so that it will be easy for them to create specific MBAs being demanded in the economy.
8. With the help of Social Media students should make specific groups of MBA students which will help them to discuss their assignment, find solutions to their internship and training problems, making contacts and increase job opportunities.
9. From the college point of view all the MBA education business should be shifted to a new electronic system, which will keep tabs on the students starting from their

enrollment, their assignments, their exam, grade posting to their training reports and job placement. This will also help the alumina committee for future events.

10. More than 70 percent attendance should be made compulsory for MBA students.
11. Teaching methods should be more practical then theoretical. Faculties should switch to Case-study teaching methods.
12. India being a diverse country in terms of castes, class and gender fee structure should be set in such a way that more and more backward classes & girls are encouraged to enroll for the course.
13. Government agencies and private companies should try to provide more scholarships to students who are trying to pursue MBA.
14. Communication and language Lab should be set up for students to teach them interview skills, discussion techniques, language proficiency and ways to design their CV and other professional documents.

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