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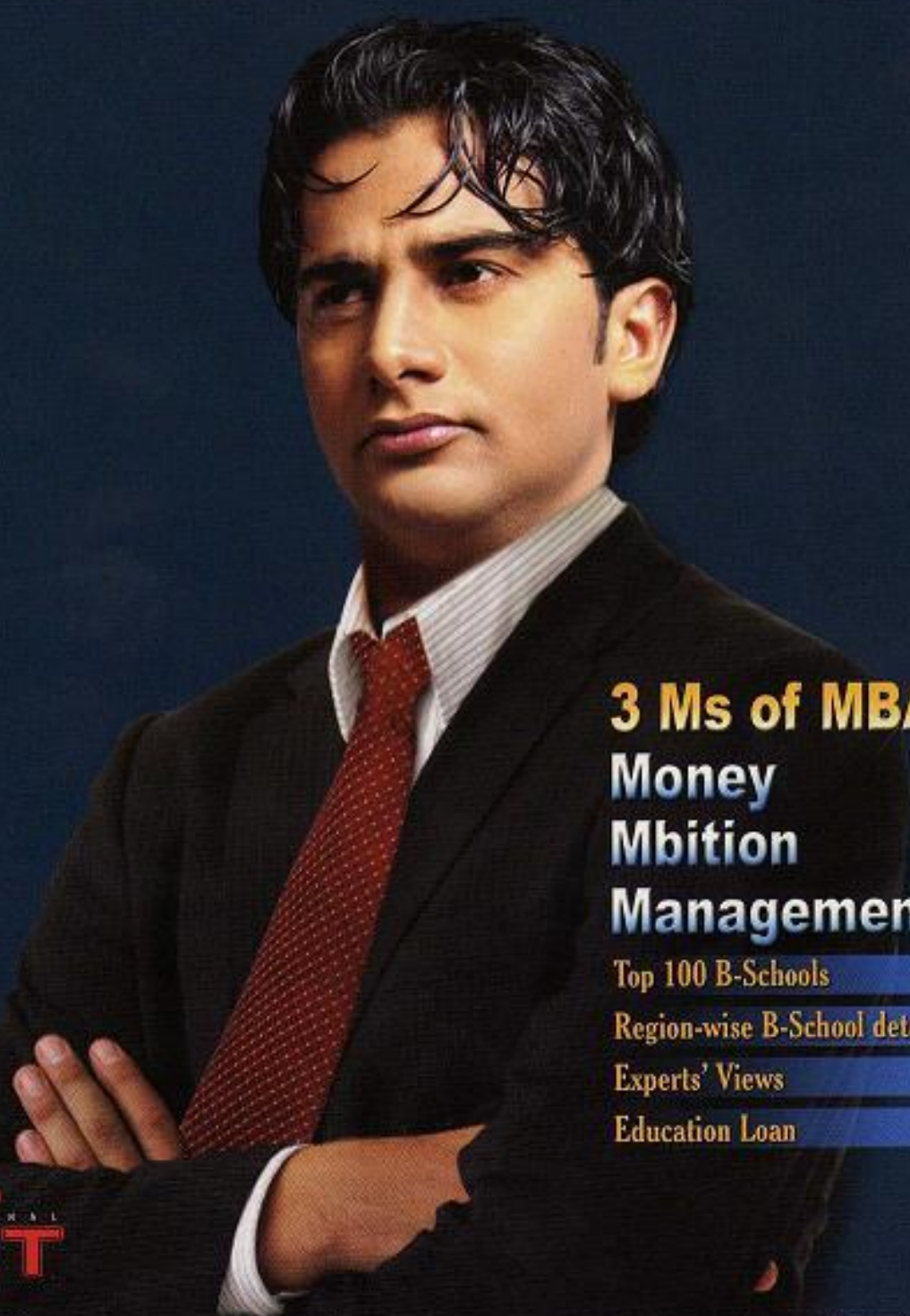


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Premier Business Schools Must Produce Sectoral Leaders

That premier business schools are not producing enough sectoral managers and thus, failing to 'make India shine evenly' is not an accident but a combined result of a series of 'myths, inertia and apathies'.

Like our good old Bollywood, India is the second largest producer of business graduates in the world. Counting the business schools that are either below the radar of AICTE or defying it along side the ones that are blessed with AICTE recognition, the number of business schools in India has crossed the psychological threshold of two thousand schools already and still counting. At the same time, 'the story of India' has captured the attention and imagination of the entire world. More and more global businesses are entering India both as direct participants or indirect investors/ allies.

Again like the script of most Indian films, 'The India Story' is great in parts only. While the service and manufacturing sectors are growing well, farming, Agro-processing and small and micro sectors are a continuing disappointment and indeed a cause of concern. While IT, IT enabled services, customer care / communication, biotech industries are scoring big national and international job contracts, several service industries especially the surface transportation, civil aviation, retailing, professional education just to name a few, are becoming more vulnerable to succumb to the global players who will enter these industries directly or indirectly but eventually to take over. Wal-Mart, FedEx will become the new icons replacing Indian brands such as Nilgiris or TCIs.

Premier Business schools are primarily meant to serve the host nation and the society as a priority (remember the primary contribution of the American business schools to the competitiveness and global dominance of American industry!!). Such business schools in India will have to accept the blame for this

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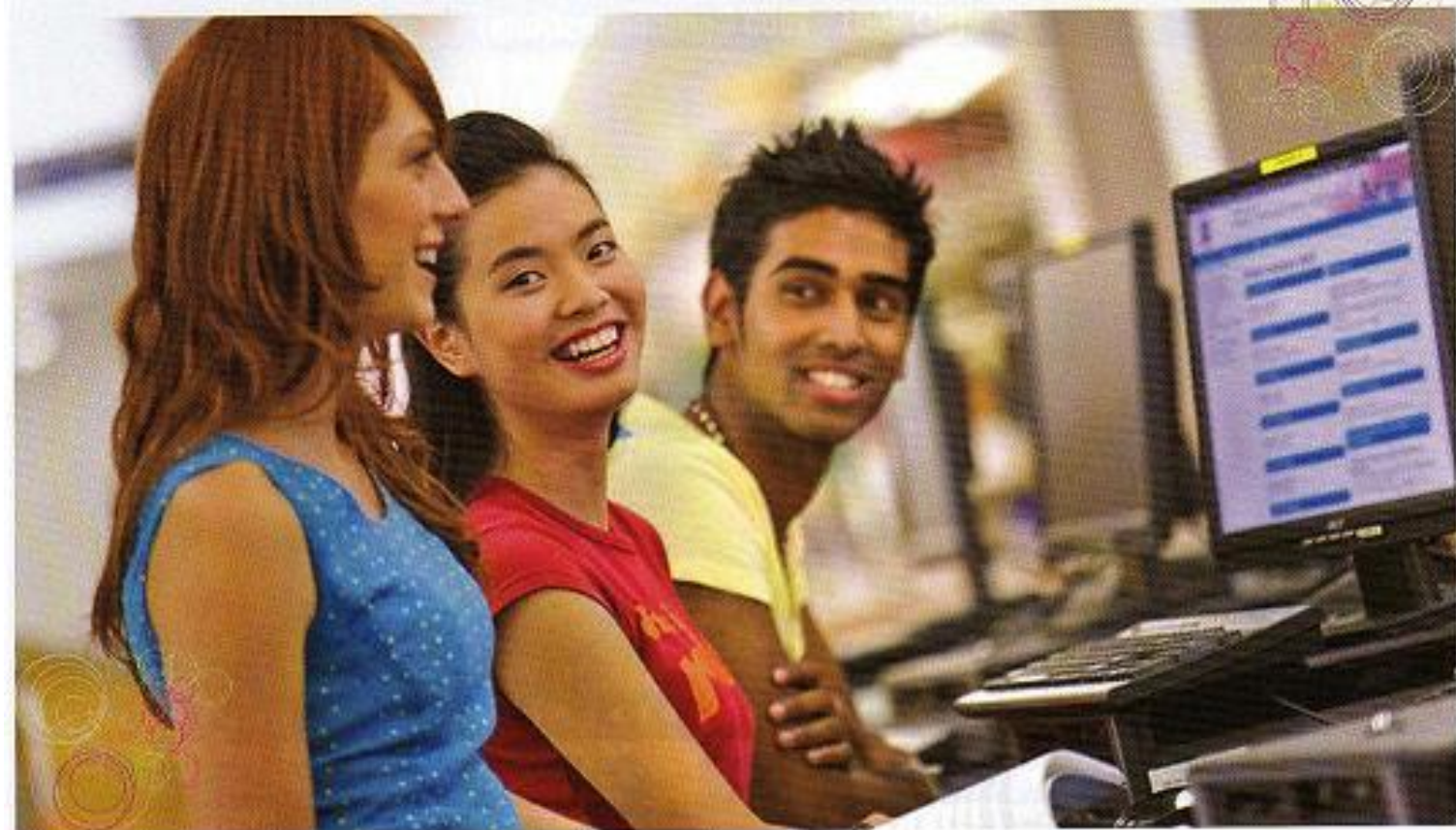
likely scenario as only few of them are positioned to produce sectoral leaders or sector trained managers. While the IT and biotech industry blossomed in India mainly because of the sector specific human training and education opportunities and programs in science and technology at the premier institutions such as IITs, NITs, universities, alas, the premier business schools in India didn't do any such thing. They still 'produce with pride' the largest quantity of 'generic MBAs'.

Myths, Inertia and Apathy

That premier business schools are not producing enough sectoral managers and thus, failing to 'make India shine evenly' is not an accident but a combined result of a series of 'myths, inertia and apathies' – three of which are highlighted below:

1. Premier business schools believe since forever that they produce business leaders who are capable of making equally successful transition to any business activity and situation. Since their business graduates are trained in business, management fundamentals, practices, case situations of all kinds, they need not restrict themselves to a particular domain, skill, vertical or trade. In support, they cite examples of their several alumni executives who were successful in transitions.

The finding however, is untrue. A quick sample check of the so-called successful alumni- business leaders tells us that their success has largely been due to their long and established work experiences in their core domain, skill or industry they chose to serve. Many failed rather miserably when they attempted to transit from one industry vertical to another.



2. Premier business schools in India feel 'discounted' if they offer a sector specific education program. Unless the corporate marketers, their attempt to 'brand stretch' has been rather soft by design lest they get noticed in the market. For instance, as the founder director of a corporate business school in Noida, I continued to face such fear, opposition and raised eyebrows from within when I launched 'SMART MBA' (Service Management and Relationship Technology MBA). They were unprepared to realize that running a business school in a super-dominating technology institution of undergraduate could probably be the most frustrating experience in the world. The market finding again is 'untrue'. The sectoral MBA program under reference actually earned the business school a place in premier business schools in India in just a short span of six months of formation; attracted alliances and accolades from many world class business schools. Acceptance, respect and placement were extra strong in the placement market once the right recruiters sampled these sector-trained management graduates. The story of other business schools in the US- especially Bentley, Arizona and Toronto is no different.
3. Premier Business schools feel that such sectoral programs 'have lower shelf life' The truth however is that it is their approach that under prepares such graduates. Premier schools often dismay the sectoral MBA classes with poor faculty resources, combining only a few core faculty members with retired faculty, visiting executives, roaming faculty, and sessional instructors with assumed or alluded relationship to the specialization under reference. Many of these 'bonus career

or moonlighting instructors' have little commitment beyond their lecture time, no personal point to prove and disappointing skill set on how to teach well in a specialist MBA class room. The result is a 'self fulfilling prophecy'.

From Vicious to Virtual Circle

Clearly, India can ill-afford to lose its chance to lead the world and must produce a more even performance not restricted to few sectors only. Premier business schools must play more innovative and offer a higher order of domain-skills like IITs. They must shake loose from the vanilla format of MBA programmes featuring core courses in the first year and functional specializations in Marketing, HR, finance, Strategy in the final year. Instead, they must design and offer a specialized MBA as strongly as their generic MBA Program. Introductions of 'Super Specializations in Retailing, Financial services, Infrastructure and telecom etc. 'a la mode engineering and medicine' will help them hold on to their rightful place in the evolving history of global India.

At the same time, it will help us them build a 'virtuous circle' in which a vertical-centric education promotes a given industry vertical which in turn supports the professional education. Premier business school must 'catapult and not just continue'.

MBA aspirants also need to break free and search smart. They must scan more intensely any generic MBA program even when premier business school offers it. They must sample a specialist or domain specific MBA program. Like the 'Tare Zameen Par' 'industry ready MBAs' have a more certain future.