

Impact of Accreditation and Ranking on Business Schools

By

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Abstract

Business Schools in India are subjected to too many humiliating controls by the rating and ranking agencies such as AICTE and NBC. In the guise of helping parents and students business magazines provide controversial ranking of Institutions which further adds confusion and complications. This article highlights the changing face of management education and emphasises the need for changes in the approaches used for rating and ranking of business schools. A new six Is framework is also offered for fixing the syllabus for management education.

Impact of Accreditation and Ranking on Business Schools

It is virtually impossible to imagine a world without rating and ranking. The entire world operates on standards and specifications. Several apex bodies and organisations such as ISO provide the specifications for products and services. They basically aim at raising the quality of products to certain minimum acceptable levels. In the field of technical education, AICTE sets the guidelines for institutions and NBA does the rating of the same. Some of the key objectives of AICTE are given below. .

- To raise the quality Institutions to a minimum standard level.
 - Infrastructure (Class Rooms, Library, computers)
 - Teachers to students ratio (1:15)
 - Syllabus
- To produce graduates of uniform quality.
- To have some control over the mushrooming institutions and to regulate the supply-demand position

No one would be able to find fault with these noble objectives. With education getting commercialised, greater role for regulatory bodies and standard setting institutions is imminent. Of course there could be some criticism on the functioning of these institutions, which is outside the purview of this article.

Though the ranking of educational institutions is of recent origin, it has had a profound impact on educational institutions. Technically the objectives of ranking cannot be very different from the following.

- To aid the Corporates and students in the choice of Institutions
- To create a healthy competition among the institutions, thereby raising the quality of education in the country.

As the ranking is done based on several factors, such as infrastructure, quality of instruction, industry interaction, placement etc, they help the institutions to improve on factors where they are found weak. Though there are some questions raised

about the methodology used for ranking, not many are against the concept of ranking per se.

This article tries to analyse the shortcomings of the rating and ranking systems and offers suggestions on aspects to be considered while devising new rating systems in order to create the greatest impact.

Are There Any Perfect Rating Systems?:

Fundamentally, rating and ranking are the making of the industrial world. In their quest for achieving products and services of uniform quality the western world introduced several control mechanisms. With the rising level of complexity in every field, ratings have come under severe criticism.

There are no perfect rating systems yet available in any field. Say for example, the measures used to evaluate corporates also suffer from gross inadequacies; the stock prices and market shares are short term in nature and they do not reflect the culture of the organization, social responsibility etc. Even companies purported as excellent ones based on composite measures have faded into oblivion over a period of time. Even the evaluation methods used for grading students suffer from several problems. The popular anecdote about a Dean's address to his new faculty recruits aptly highlights the problems with our present grading system. Apparently he told the new recruits to be nice to A-graders as they would end up as faculty colleagues, B-graders as they would become the ambassadors of the institute in the corporate world and C-Graders and drop outs as they were the future entrepreneurs and donors to the institute.

That does not imply that we should do away with rating, which will amount to throwing the baby with the bath water. A couple of leading business schools where the author serves as advisor, held meetings immediately after the publication of the ranking of business schools in a business magazine. There were several decisions made with regard to involving faculty in research and industry interaction. The major problem in India is that most business schools have become teaching shops with the faculty as teaching machines.

While there is no denying the fact that ratings do serve some useful purpose, we must also be sensitive to the flaws in the rating systems. In the next section we attempt to highlight the negative aspects of ranking and also suggest additional factors to be incorporated.

Improving the Effectiveness of Rating and Ranking:

The two major decision areas in any ranking are the factors to be considered and the weightage to be given to each factor. Additionally the factors considered may be objective in nature or subjective and soft factors. Most ranking agencies have high level of comfort with objective factors, as they are easy to measure. Consequently educational institutions that have good buildings and more number of computers get rated highly. What we advocate is the use of more soft factors.

Quality of Teachers:

Any institution is as good as the quality of its teachers or gurus. Consequently the ability of any educational institution to attract and retain quality teachers should be accorded the highest weightage in ranking of institutions. Harvard Business School is considered the Mecca of management education mainly on account of its ability to attract and retain gurus. The field of management would not have got 'Core Competence' but for the fact that CKP moved out of IIMA. Similarly Individualised Corporation would not have been born if Sumantra Goshal had not been denied a job in IIMC. Our institutions have an uncanny knack of ejecting out people with potential.

Knowledge Creation Vs Dissemination:

Very few institutions realise that knowledge creation is as important as knowledge dissemination. What new theories have Indian academics developed? How much importance do we give to research and writing? It is a different matter that evaluation of research output is much more difficult than the quality of teaching. That does not mean that we should not attempt to measure research output. Most ranking agencies are like the man who lost his key in a dark room but searched for the same under the street light.

Social Responsibility:

Management is such a universal concept that it can theoretically find application in all walks of life. Why not teach management to NGOs and improve their effectiveness. What about areas like health, transportation, agriculture and even e-governance? How many institutes, including the ones fully funded by the Government, contribute to the better management of the society? ASCI – Hyderabad used to offer programmes on management to MPs and MLAs. An Institute in Delhi offers management programmes for Bahus (Housewives). If a house is well managed, the colony will be well managed, the town will be well managed, the state will be well managed and the society will get managed well.

Blurring of Boundaries:

George Town University in the U.S. offers a master's programme in physics and management. Stanford University offers projects that involve engineering and MBA students. BITs Pilani has been offering several dual degrees for a number of years. With the universal applicability of management concepts and the blurring of boundaries between subjects, rating of institutions is likely to become more complex.

Six I's of Management Education:

The author has developed a Six I's framework (See Figure –1) that can be useful while evaluating the syllabus used in management schools. With businesses getting globalized it is essential that the international perspective get built into the curriculum. Even with automation and computerisation, interpersonal skills continue to occupy the centre stage in management education. However, many schools tend to neglect this very important aspect. The third major aspect is the need for giving an integrated perspective to the students. Business schools continue to teach finance, marketing, personnel and production as separate functions while in reality the walls between functions are collapsing fast, thanks to the developments in ICT. That logically leads us to the importance of integrating ICT in management. Techies who do not understand management and managers who do not speak the IT language

will soon perish. The fifth major aspect emphasises the need for teaching ethical behaviour and integrity in business dealings to business students. We shall discuss last I - Individualisation in the next section.



Figure – 1

Individualisation:

The order of the day is customisation. Cosmetics companies offer customised products to suit individual faces and body complexion. Readymade garments, such as jeans, are custom tailored. Bikinis and brassieres get mass customised by taking into account the asymmetries in individual bodies. Even medicines are custom made. While we advocate customisation as a key strategy to business houses, why not introduce the same in business schools?

Individualisation of curriculum should go beyond offering few electives to suit individual needs. One possible approach will be to split every course into several sub modules and allow the students to assemble modules in a fashion most suited to individual needs.

Ideally we should go to the gurukula method where the guru decided on the right course of study and the syllabus for each student. We need to devise expert systems that would assess individual aptitudes and capabilities and advise students

on modules ideally suited to each. This is akin to the Lakme Kiosk which gives make up advice to individuals.

Additionally Internet offers alternate delivery methods for education and the scope for one-to-one interaction with gurus wherever they may be. More over a single guru can offer instruction to thousands of students. Why not have Philip Kotler offer marketing management to students all over the world or have Porter offer the course on Competitive Strategies? Individual students can drop out at different stages depending on their interest and requirement. The advantage of this system of education is that it can extend into the working life too. Someone who is very keen to go deep into competitive strategies may go as deep as he or she wants subject to the guru's acceptance of the person as a disciple.

Curriculum for the Post Industrial Era:

Basically, all these point to the fact that we are at the verge of rediscovering education for the postindustrial era. All these years the emphasis was on mass-producing management graduates of uniform quality to man the industrial organisations. Postindustrial world (information age) would need managers who think and act differently. They need to be more of right brain people who are creative and find innovative solutions to common problems. Consequently curriculum for business education should take into account individual capabilities apart from institutional capabilities and industry requirements as shown in Figure – 2.

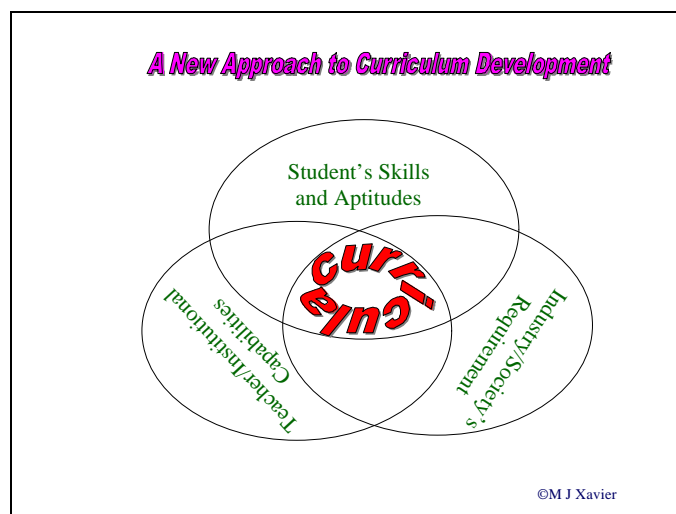


Figure – 2

This clearly brings out the fact that, enforcing of uniform syllabus across the world or country will only be counterproductive. Institutes should take into account the needs of the industries in the region and also the capabilities of their teachers while developing their curricula. Of course, the task of rating and ranking of institutions would further get complicated.

Rating and Ranking for the information age:

The major problem with the present day rating and ranking is that they try to straight-jacket the institutions. On the contrary, the two year-four semesters format and uniform syllabus are becoming increasingly irrelevant. Agencies like AICTE and NBA should be open to new formats and course design that reflect the contemporary needs. They should understand the following changes while devising the ratings and rankings, if they are to be meaningful and relevant.

- From standardisation to customisation
- Uniform quality to programmed variety
- Left to Right brain development
- Excellence in sub functions to holistic development
 - technology (ICT) and business functions
 - functions to business as a whole
 - business and society as a whole
 - body, mind and the soul

Traditional industrial world emphasised division of the whole into sub-units and specialised study of selected sub units. On the contrary, the postindustrial world is expected to reward those who have a holistic perspective of things. Over and above the intellect, we also see the integration of spirituality in business. It is only the unification of body, mind and the soul that can produce objects of divine quality.

Consequently the task of rating and ranking will get much more complicated. The institutions will not be strictly comparable as each one is likely to offer different programmes based on their competencies. Similarly the students and parents may not go by the rating or ranking of institutions; they should select institutions based on personal requirements. For example, a medical doctor wanting to learn management may opt for a school that is well known for health management. Already there are dotcom companies available on the Internet (e.g. buckleyourshoe.com) which provide guidance to the students on the choice of institutions.

With the rising demand for management education, several leading business schools from the West are setting shop in India which do not come under the purview of the ratings agencies. As such India is getting recognised for its computer education all over the world though they are not under the control of any rating agencies. Consequently, India is likely to emerge as a major training ground for computer professionals. In the same way, we can also attract students from countries like China, Taiwan, Thailand etc. for management education too, if we change with the changing times. If the rating agencies continue to be a constraint for upgradation and improvement, India will end up losing a major business opportunity.



