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## What employers value in the MBAs they recruit: Rebalancing the management education curriculum

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### Executive Summary

This paper seeks to answer the question, “In the Indian context, what insights can employers offer on the knowing, doing and being dimensions of the formation of an MBA graduate, that management education institutes can use to rebalance their curricula?” It uses the theoretical framework developed by Srikant Datar, David Garvin and Patrick Cullen in their 2010 study, *Rethinking the MBA*. The data for this paper came from in-depth interviews with 18 senior recruiters and a questionnaire survey of personnel from the human resource development function and line managers of 42 companies, 32 in the private sector and 10 in the public sector. The senior recruiters constituted a subset of the 42 respondents.

Their ability to develop knowledge and analytical ability better seems to advantage the better institutions. However, on the creativity and the being dimensions (ethics, commitment to organization and learning attitude), MBAs may be more homogeneous. Perhaps this indicates an opportunity for the top-ranked institutes to focus more on the “Being” dimension.

Indian employers clearly expect certain functional roles to be filled by fresh MBA graduates. What is expected by the employers in addition is a hands-on approach to work. This indicates that while rebalancing their curricula, business schools must retain a focus on their current strength in the “Knowing” dimension, while augmenting their stress on the “Doing” dimension.

Regarding the skill-sets noted by the employers, there is a set that is directly within the scope of the traditional knowledge-skill objectives of an MBA program, like analytical skills. Traditional MBA programs in the top-ranked institutes are strong on preparing students for this set of skills. However, of the eight curricular gaps identified by Datar and his colleagues, only four—leadership, creativity and innovation, critical thinking and communication, and understanding the purpose of business—seem to be very clearly on the radars of employers. Specific skills and qualities that can fit under global perspective, integration skills, recognizing organizational realities, and understanding the limits of models and markets, seem to be under-emphasized. Perhaps B-Schools, at least the top ones, can build on these, thus creating a greater awareness about these as emerging areas of curricular focus.

It is the “Being” dimension that seems to call for attention while making any attempt to rebalance the curriculum. Leadership means taking responsibility for implementing change, developing a certain depth as a person, willing to shed any stereotypes that one may have carried into the job, understanding the balance between a career and commitment to an organization, developing a commitment to practice, understanding one’s own limitations, and working out one’s expectations in a reasonable manner. In addition, developing an integrated perspective is an important aspect of developing the “Being” dimension. This is where the challenge for B-Schools lies. These qualities are not easy to develop in a classroom set-up, and call for more experiential methods of learning. B-Schools, by and large, are not as competent in these methodologies as they are in methods that develop analytical, instruction-based knowledge and skills.

The qualities that the employers would like stressed fall mainly under three labels which can be directions for curricular change: Practice Orientation, Team Work and Perspective Building. Finally, we present a set of six guidelines that seem to be important from the employers’ perspective as a model for future curricular practice: Introduction of the curriculum through practice; Critical thinking and diagnosis; Integrative thinking; Capability for learning; Focus on a complex made up of Leadership, Team Player, Innovator, and Corporate Citizen; and Apprenticeship before award of the MBA degree.

Note: Most of the data on which this paper is based was collected for Management Education: The Road Ahead, a conference held at the Indian Institute of Management, Ahmedabad in July 2011; a second round of data collection was held in early 2014. The data collection team included Professors Samir Barua, B. H. Jajoo, T. V. Rao, Rajeev Sharma, Vijaya Sherry Chand, Rajeshwari Narendran and Kandaswamy Bharathan, and Mr. Siddhartha Saxena. Professor Samir Barua, then Director, IIMA, initiated the project in 2011. We acknowledge with gratitude the inputs provided by Professors Samir Barua and Rajeev Sharma.

## Introduction

In 2010 Srikant Datar, David Garvin and Patrick Cullen presented their assessment of the state of management education in a seminal work titled *Rethinking the MBA: Business Education at a Crossroads* (Datar, Garvin & Cullen, 2010). They identified three trends that were shaping management education. One was a questioning by employers of the value of an MBA degree—the others were the shift away from traditional educational offerings towards diverse programs and changing enrolment patterns. For institutions, these trends, especially the criticism from employers of MBAs, imply both taking into account stakeholder feedback and revisiting institutional assumptions about preparing leaders for the world of management. Datar and his colleagues studied top-ranked programs offered in the western context, but they note that their results were generalizable to other programs and other contexts. Accepting this premise, we address the first trend shaping management education identified above—employer feedback, and its implications for assumptions about preparing MBAs for business leadership, in the Indian context.

In order to situate employer feedback within the framework of institutional responses—both curricular and pedagogical, we adopt the framework developed by Datar et al. In their view, business schools are in the business of developing leaders and entrepreneurs, and in order to be effective in this mission, need to do two things: “reassess the facts, frameworks, and theories that they teach (the “knowing” component), while at the same time rebalancing their curricula so that more attention is paid to developing the skills, capabilities, and techniques that lie at the heart of the practice of management (the “doing” component) and the values, attitudes, and beliefs that form managers’ worldviews and professional identities (the “being” component)” (Datar et al., 2010, p.7). This knowing-doing-being framework, which they adopt from a military leadership curriculum in the United States, is a useful framework to adopt when reflecting on the kind of knowledge that institutions seek to provide and, more importantly, seeking to “rebalance” the curriculum. The latter is a crucial insight which addresses the oft-heard criticism of MBAs being good on knowledge and poor in action and implementation, or of MBAs not being sensitive enough to the ethical standards that are expected of them.

If rebalancing the curriculum implies an identification of the lacunae in the three components which need more emphasis, what would these gaps be? Datar et al. (2010) list eight areas that business schools seem to be weak in. These are:

1. Gaining a global perspective: managing institutional, economic and cultural diversity
2. Developing leadership skills: learning to build with others
3. Honing integration skills: framing problems holistically and incorporating judgment and intuition into analytical decision making
4. Recognizing organizational realities and implementing effectively: understanding the politics of organizational behaviour
5. Acting creatively and innovatively
6. Thinking critically and communicating effectively

7. Understanding the roles, responsibilities, and purpose of business: balancing the financial and non-financial objectives of business and multiple stakeholder demands
8. Understanding the limits of models and markets

We use this framework to answer the following question: In the Indian context, what insights can employers offer on the knowing, doing and being aspects of the formation of an MBA graduate, that management education institutes can use to “rebalance” their curricula?

Management education in the top-ranked schools in India is no different from the education offered in western contexts insofar as it is subjected to the same pressures to reinvent, redefine, redesign and re-establish its value addition. These pressures have intensified over the last two decades, ever since liberalization took hold. We have seen globalization of businesses and changing organizational structures and processes, frequent mergers and acquisitions, the emergence of social media as an important tool in shaping business, technological innovations directed at the bottom of the pyramid, increasing access to online education, multiple generations—Gen X, Gen Y and Gen Z—working under the same roof, changing human resource management practices, and an increasing focus on talent management. Bhandarker (2008) while commenting on these changes, notes that the Indian businesses of tomorrow will need managers and leaders who can thrive amidst the challenges of living and working in global world, and who can prepare organizations to cope with ambiguities, uncertainties and complexities. She finds that the Indian business education paradigm, by and large, has remained the same for many decades, focusing more on developing intellectual power rather than building leaders. Her prescription for developing MBAs as leaders is a focus on four clusters: the intra-personal, which includes self-awareness, emotional self-awareness, intentionality, resilience, optimism and empathy; the “influencing others” cluster, which includes emotional expression, interpersonal connections, constructive discontent, and trust; the “managing complexity cluster” which consists of intuition and creativity; and “managing diversity”, a tolerance for ambiguity and flexibility. These four clusters overlap to a large extent with the eight focus areas outlined by Datar et al. (2010) and listed earlier. In brief, the new roles and the new skills that the Indian environment is now demanding imply a different kind of curriculum than the traditional offerings made by management schools—Indian schools, like their western counterparts, need to rebalance their curricula if they are to re-establish the value addition they offer industry.

## Methodology

The data for this paper was primarily collected from supervisors and senior recruiters of MBAs from organizations in both the public sector and the private sector. The methods used were in-depth interviews (face-to-face as well as telephonic) using a semi-structured set of guidelines that had eight questions (Appendix 1) as well as a questionnaire survey. There were two rounds of data collection. The first was spread over a three-month period from late 2011 to early 2012, and the second for a month in early 2014. The interviews and the questionnaire survey covered three kinds of recruiters: those who recruited from the

Indian Institutes of Management for internships and final placements, HR managers who had participated in the 3-Tier Senior Management Program at the Indian Institute of Management Ahmedabad, and HR Managers known to the authors. Forty two response sets (including interview data) were used in the analysis; 32 from the private sector and ten from the public sector (Appendix 2).

We seek to present the voices of the employers, with some interpretation wherever necessary. The responses were coded using the theoretical framework outlined earlier. In addition, we present some content analysis, in terms of response percentage across the private and public sectors—given the small numbers of respondents, the percentages presented should be used with caution; however, they may be treated as broadly indicative.

The institutions from where the participants in this study have recruited include the Indian Institutes of Management, management programs of the Indian Institutes of Technology, Management Development Institute, Gurgaon, S. P. Jain, T. A. Pai Management Institute, Manipal, MICA (Ahmedabad), Indian Institute of Foreign Trade, Delhi, Faculty of Management Studies, Delhi, Narsee Monjee Institute of Management Studies, Mumbai, Gokhale Institute of Politics & Economics, Balaji Institute of Modern Management, ICFAI Hyderabad, B.K. School of Business Management, Ahmedabad, K. J. Somaiya Institute of Management Studies & Research, Mumbai, and other regional institutions. Thus, the employers have recruited from a number of top-ranked institutes within India.

### **Dimensions on which diversity within MBAs is high**

In Table 1 below, the dimensions along which differences among MBA students exist, as noted by the private sector respondents, are sorted by the strength of the responses. Going by the responses of the private sector alone, the knowing, and to a lesser extent, the doing dimensions (50 per cent and above) seem to dominate. Knowledge and analytical ability seem to discriminate between the good and the not so good institutes. This just reinforces a point made by Datar et al. (2010) that the better institutions may be doing a good job on the knowing dimension, but need to focus more on the doing and being dimensions. Noteworthy is the finding that on the creativity and the being components of ethics, commitment to organization and learning attitude, MBAs are fairly homogeneous. Perhaps the top-ranked institutes need to do more on a practice-oriented curriculum.

**Table 1: Dimensions on which MBA recruits show diversity**

	Major dimensions on diversity within MBAs exists	Private sector responses (%)
1	Creativity	11
2	Commitment to organization	11
3	Ethics and Integrity (see comment below, however)	11
4	Decision Making abilities	11
5	Curriculum	11
6	Learning Attitude	14
7	Ability to Suggest Solutions	14
8	Ability to Shoulder Responsibility	14
9	Role Clarity	14
10	Faculty	17
11	Entrepreneurial Skills	17
12	Industrial Exposure	17
13	Peer Culture	32
14	Acceptance of diversity	38
15	Hands on approach	50
16	Performance	52
17	Project Training	58
18	Basic/ cross-functional/ market and strategy knowledge	61
19	Communication Skills & Presentation Skills	61
20	Analytical Capability	70

We now present a few voices to illustrate the views of the employer community on the issue of diversity within the MBA recruits.

#### **General areas for improvement**

- Get 'hands dirty' in data gathering, analysis etc., focus more on improving business and customers.
- The greatest skills gap is in language i.e. English and communication skills.

#### **From those who do not see major differences among graduates from different B-Schools:**

- "It is fair to say that there are no differences we find among the MBAs we take from different institutes. From the kind of schools we take they are more or less similar and if any differences are there, they are taken care of through our induction."
- "We take a good number of candidates in HR from three institutions... We have taken around 30 or so in the last five years. Our analysis indicates that there are no differences in the competency levels of the candidates from these institutions. Their

performance was rated in the last few years by various HR groups and we find their performance levels to be similar. Our internal processes are strong and hence the differences may not surface much.”

**From those who note differences among graduates of various B-Schools:**

- There is difference among the three tiers of B-Schools; the main difference is in the integrity level. Students from tier 1 B-Schools take fewer shortcuts.
- Tier 3 students have more entrepreneurial abilities. They are more aware of the ground realities and thus able to solve real life problems.
- In comparison with the western B-school graduates, our emotional quotient, and aesthetics are weaker. In terms of leadership there is not much difference. We can have good or bad leaders from anywhere. (Note: This is from an MNC.)
- We have experienced that when we recruit from IIMs, within 5-7 years, they become Heads of their functions/SBUs. However, the graduates from other B-Schools are not able to reach that height, even after 10 years. The reason is quite obvious: the IIM graduates possess very high level of analytical skills, great confidence levels, and they are prepared to look through everything from a different perspective. The learning environment promotes articulation and the exposure is definitely a class apart. The faculty and the peer impact also are very vital for them. These things are normally at lower levels in other B-Schools.
- The key differences are in the areas of exposure and the confidence they bring to the job. Employees from the second tier schools do not seem to be that confident and have very poor exposure to the business world before they join us. Having said that, it must be added that the individual's personality does make a difference. For example, an evening MBA graduate has been an outstanding employee, because his willingness to work and learn sets him (and people like him) apart.
- Across schools differences are more important at the aggregate level, because of the admissions procedures of a few schools. Thus, in general, graduates from these schools would be better than those from local institutes or colleges. Graduates of the more established schools have benefitted significantly from the peer culture they have experienced. We consider this the most important reason for going to those schools with wider admission procedures. The peer culture in these institutes certainly helps the graduates.
- The level of commitment and zeal in the students exhibited from one of the Institutes in Pune is so high that they sacrificed the winter breaks for doing a project under my personal guidance. The teachers/ faculty kept no stone unturned to make sure that the students started after proper preparation; they were keenly involved in taking time to time feedback for improvements of both their own system as well as the students.
- We have got some of our best performers from tier 2 Institutions.
- The IIM students tend to be rigid in their choice of roles. They have around two to three years of experience but look for roles which involve strategic decision making and adopt a hands-off approach. MBAs from other institutes are relatively open and flexible in terms of taking up roles and are willing to sweat it out.



- Other difference which can be easily identified is the rate of attrition; normally the IIM graduates have higher rate of leaving their first jobs early to more attractive or sometimes challenging job offers.

## Critical roles and activities MBAs are expected to perform in the initial years of their work

In Table 2 below, the responses are sorted by the strength of the private sector responses; the public sector responses are also presented for comparison, but these comparisons have to be treated with caution. Looking at the private sector responses, it is clear that some functional roles are expected of MBA graduates initially. Thus, Business Development, Sales and Product Management, Client and Customer handling, Finance, and Brand Management, are important roles. These imply a hands-on approach towards work. The public sector responses indicate a different, but still functional focus, marketing, quality control, territory management, and so on. The implications are that business school curricula should not lose sight of developing a mix of knowing and doing, the knowledge and skill sets necessary for their graduates to perform functional roles effectively.

**Table 2: Roles and activities in initial years**

Roles and activities	Private (%)	Public (%)
Client/Customer Handling	79	10
Business Development	61	20
Business Intelligence	58	20
Management Trainee	52	60
Financial Management	50	30
Brand Management	47	30
Job rotations / Cross Functional Training	44	30
Sales Manager	41	30
Strategy Positioning	41	40
Consultant	35	10
Product Manager	35	30
Operations Manager	35	60
Competition Benchmarking	35	20
Budgetary Activities	35	20
Research & Development	23	0
Business analyst	20	10
Executive Assistants to Senior Managers	20	30
Innovation	20	30
Accounts Executive	17	50

Project Management	17	60
Business Generation	14	20
Corporate Decision making	11	10
Human Resource Functions	11	30
Resource Optimization	11	30
Territory Management	8	40
Marketing Functions	8	40
Quality Control	8	40

The context in which these roles are performed is best indicated by what the companies have to say. We draw on the responses to this question from 13 of the responding companies which also took part in a conference, *Management: The Road Ahead*, held at Indian Institute of Management, Ahmedabad in 2012.

- Sometimes, Executive Assistant to a top level director/ CEO is the beginning of a long career.
- We rotate the candidates to various functions and locations in the first year. They are rotated from plant to corporate office.
- We let the recruits get their 'hands dirty' in data gathering, analysis etc., in order to understand the A to Z of the company's goals and operation models. We focus more on improving business and customer experience than just on personal growth.
- For those recruited from IIMs we assign more strategic roles. They are placed as Executive Assistants to senior Business leaders. They are expected to help them in strategy formulation and work as a resource team for them. The senior management team is told that anything they want, they should be able to get from these MBAs. These are thought-oriented roles. For MBAs from other institutions we assign analytical roles where they need to do analytics for ratings. They may work as rating analysts, doing research work on projects, writing sector reports, writing reports on global entities, etc.
- We have done competency mapping and identified competencies required for various positions. Managers are being assessed to see the extent to which they have these competencies. MBAs should be able to assist it in carrying out such exercises and assist the company. We expect this role especially for those recruited into HR.
- They can play audit and diagnosis roles by working with the top management like the Directors and GMs as their Executive Assistants and constantly help them to diagnose the way their departments are functioning and suggest systems and processes to improve the same.
- We expect MBA to play generally supportive roles to the middle management. The middle level management are team leaders and section leaders. They formulate policies and set directions. MBAs are expected to help them and work under their direction. Their main role is execution and implementation.
- Generally it takes few years to get fully involved in all corporate actions but initially the MBAs should be doing high level of projects under the mentorship of an expert— basically it should involve the execution of planning, analytical research, extensive data

mining and exploring data, nurturing people and taking approaches to plan, lead and execute well.

- We take in a large number of MBAs, primarily as management trainees. Therefore, we recruit a fair number of people without experience. Their main job is to evaluate proposals (for loans) and recommend clear decisions. They also have to make calls and interview applicants, and then make considered assessments. After a year, they can move into more supervisory roles.
- Many of the graduates are engineers, who do not have much idea of business. Apart from those with a thirst for learning, the others find it hard to adjust to the demands of the job. Some of them even tell us, “We were not prepared to do this after an MBA.” The key problem is that an artificial aura has been created around the title ‘MBA’ and graduates assume they are somewhat special. Their expectations are unreal, and many of them are not really prepared for the world of practice.
- As far as putting them into initial assignments is concerned, it depends on what function they have been recruited for. Like, for Marketing function, it is better to put them into marketing basics to develop the overall perspective, they have to understand the complete marketing scenario, competitors, customers, the key drivers and critical factors for success. For HR functions, we have different roles for MBAs and MSWs. In the initial year of HR recruits, we put them into HR verticals based on their acumen like recruitments, performance management systems, talent management, etc. under the supervision of functional head. For Commercial, we put these people directly into procurement, because that is the basic learning one has to master in the initial years. As far as finance is concerned, we normally prefer only Chartered Accountants for the core financial functions; though we have a few MBAs with specialization in finance, they find a place only in Corporate Finance or Fund raising, etc.
- In the initial years we make them work as representatives; first we provide a cross-functional training for their first year and follow it up with two to three years of working as representative in sales and marketing function.
- In three to four years, one would expect them to get a thorough understanding of the industry, organization and the related process and capable of taking informed and mature managerial decisions in various functions. At this stage, they should be able to take ownership of a process and assume accountability for the process deployment and results through managing a team of professionals.

## **Skill sets for initial roles and activities**

Table 3 presents the skill-sets noted by the employers. They have been inductively derived from the responses through a process of coding of their answers to an open-ended question. The results have been presented using the framework presented by Datar et al. (2010). The percentages of private sector respondents and public sector respondents noting a particular skill set are also presented, though private-public sector comparisons have to be done with caution. The responses that are directly within the scope of the traditional knowledge-skill objectives of an MBA program are presented first. As can be seen, analytical skills constitute an important competence that employers look for. Traditional MBA programs are well aware of this fact and we do not labour the point. What

we do next is to present the results classified according to the gaps identified by Datar et al. (2010). Doing this, we may arrive at tentative definitions of four of the eight gaps they have identified—leadership, creativity and innovation, critical thinking and communication, and understanding the purpose of business. What we are unable to identify are specific skills/qualities that can fit under the other four gaps they note: global perspective, integration skills (though this dimension may show a strong overlap with leadership), recognizing organizational realities, and understanding the limits of models and markets. This does not mean that employers do not consider these important; for instance, a global perspective may be an important quality in a slightly later stage of one’s career. Likewise, understanding organizational realities, which is just developing a political view of an organization, may be assumed by employers as something one learns through the practice of management. One respondent, however, was categorical that this is something that management schools do not address adequately: “I emphasize understanding the informal organization is more important because it is not taught in any curriculum, it is unwritten... the sophisticated term would be to be [understand] culture-oriented [processes].” These issues will be revisited when we examine the employers’ voices later.

**Table 3: Skills sets required in MBAs for initial roles**

<b>Skill sets required</b>	<b>Private (%)</b>	<b>Public (%)</b>
<b>Traditional Knowledge-Skill domain</b>		
Functional/ foundational skills	52	40
Analytical skills	79	60
Exposure to practice	50	30
Consulting skills	41	30
Implementation skills	32	50
Ability to understand, assimilate, general awareness	40	35
<b>Developing leadership skills</b>		
People management	55	60
Networking	38	30
Interpersonal & team building skills	64	50
Leadership	35	40
Process-sensitivity	41	70
Humility	52	60
Receptivity to learning	44	40
Showing conviction	44	35
Understanding of vision	35	40
<b>Acting creatively and innovatively</b>		
Learning and adaptability	50	60
Creativity	38	40
Innovation	41	50
Entrepreneurial behaviour	32	30

<b>Thinking critically and communicating effectively</b>		
Presentation and communication skills	61	40
Strategic thinking skills	41	30
<b>Understanding the roles, responsibilities, and purpose of business</b>		
Result orientation	52	40
Need for a hands-on approach	64	50
Commitment to organizations	55	60
Business instinct	52	20
Expectations from career	35	60

### Views of the employers: Skills and qualities

Our first voice presents a broad framework for understanding management: managing change, managing the business, managing others and managing oneself. This incorporates the leadership, integration, and understanding of business dimensions noted earlier.

- Business acumen and change management; customer intimacy; networking and partnership; capability building within self and team; planning and organizing; problem solving and decision making; driving customer satisfaction; team leadership, execution excellence; analytical thinking and innovation; passion to excel. Broadly speaking, these competencies will fall under four contribution bands: Manage Change, Manage Business, Manage Others and Manage Self.

A leader shows curiosity and a willingness to learn, the willingness to challenge the status quo, and is able to learn from practice. This is something the curriculum ought to develop.

- As far as competencies are concerned, first and foremost is the curiosity which takes a beginner much higher in corporate ladder than those who start with what to do and how to do type. Secondly it is the ability to challenge the status quo, it is the ability to question why so and why not the other way...I am very confident that the young generation today is more capable of questioning than their predecessors. Thirdly, it is the practical and experiential learning and how well one can explore new avenues to learn different skill sets of their own field as well from various business operations. The objective is basically to develop business acumen in totality and the zeal to take that extra step and effort.
- Everything is embedded in the learning attitude. When you enter, you have to have the attitude to accept 'I don't know' and 'I need to learn' as everything is not taught at the B-School. What you can learn on the job is the whole plethora of various new things, learning to learn, being prepared to learn from anyone, be it your subordinate or any source. One has to keep one's mouth shut and learn to "listen".
- They should be receptive and open to direction from their seniors or leads. They should not have mental blocks regarding what is to be done and how it is to be done.

The graduate should also be ready to understand the values which govern an organization. This is perhaps an example of understanding the organization as a political entity, but from the broader point of view of appreciating what drives the organization—and that too quickly.

- Another very important aspect is to deeply understand the values on which the organization is governed, each organization is different. One has to strictly adhere to values, ethics and integrity; one cannot afford to lose any of these.
- The learning curve of MBAs is shorter as compared to other entrants. The expectation is that they understand the business model, key business processes, and product and service knowledge and have a feel of the market and the product by being in the field or shop floor as the case may be for a short duration. [This will help in] taking responsibility for implementation of decisions.

### **Views of the employers: A note on the “Being” dimension**

Being a leader means taking responsibility for implementing change, developing a certain depth as a person, willing to shed any stereotypes that one may have carried into the job, understanding the balance between a career and commitment to an organization, a commitment to practice, understanding one’s own limitations, and work out their expectations in a reasonable manner. In addition, developing an integrated perspective is an important aspect of developing the “Being” dimension.

- We would like to see MBAs showing willingness to influence organizations and to make changes rather than escape by moving on quickly.
- They have high expectations from others, but they themselves often lack depth. They may be able to name the recent mergers and acquisitions but cannot go beyond naming as they do not try to understand and assimilate.
- They carry many stereotypes about managers and companies, what needs to be done and what helps them to build their own careers.
- They are more committed to their career than to the organization or the profession. They often appear to be under some kind of anxiety to cash in on their investments.
- From the many people we have interviewed and recruited, it appears that in recent years MBAs are graduating without a “practice orientation.” The application of knowledge is weak. The learning seems to be theoretical. Maybe the faculty themselves are not practice-oriented. We need a good theory-practice mix in MBAs, and schools are not producing this mix. Perhaps, schools need to insist that 70% of their curriculum will have a direct practice/ application linkage.
- The willingness for field roles has been going down. Many feel it is a necessary evil.
- Graduates from top schools tend to be individualistic. Very often they seek assignments in roles where their competencies are not aligned to the aspired role.
- Graduates need to be more independent and more grounded. The media hype about MBAs and their institutions and placement salaries make them develop unrealistic aspirations. These aspirations need to be moderated. There should be an aspiration check. They should not label work as unsuitable to their level and should be prepared to do whatever they are asked to do and contribute to the organization.

- They overrate the value of their degree; they expect very high salaries and think they are entitled to these because of the degree they have got. The word “package” has come to dominate their thinking. All over the country, this word has become the yardstick graduates use. Everywhere one hears “What is the package?” It does not bear any relation to what the graduates can contribute. They have high expectations about what they should be getting, and complain when these are not met.
- They need to have the humility to understand that they need to earn their equity over time rather than merely by virtue of their degree and institutions.
- Today, Marketing, Finance, HR are no more separate islands. The competition has brought them onto one platform. There is a need for cross-sectional implementation in whatever you do in the business world. A strong hold on the subject, clarity in vision and deep commitment is what makes a difference.
- Managers should understand the social aspect of business as well. If management students are to be change-makers anywhere, they will need to do so in a responsible manner. The present-day graduates are more focused on achieving business-related targets.
- Relevance of business to community is going to become a major issue. MBAs should be prepared for the same. When a Chairman of a giant petroleum company can lose his job on such issues, they need to be taken seriously.
- Graduates should learn the concept of “value of money.” It is easy to talk of big challenges, but when graduates do not show any concept of value of money, then it is of concern. Graduates can easily send four lakh rupee marketing proposals, without the faintest foundation or justification. They assume resources will flow; all they have to do is ask. The minimum that is expected in a graduate is economic hard-headedness—value of money and efficient use of resources. A lot needs to be done in this area. All the other skills rest on this foundation.
- Value education is often missing. We are not talking of ethics here. Courses in business ethics are being taught. However, certain values like accountability, loyalty, growing with the company, and related values, have to be developed somehow. Perhaps case studies of people who have built organizations over 25 or 30 years need to be developed and used. Role models from Indian business are not discussed. Pick good cases, and teach them so that students realize what commitment to an organization means.
- Everyone should learn the art of judging the industry trend with sharper accuracy. The hold on the industry nuances, to read and think beyond the market or thinking differently as well as holistically are the few learning the MBAs ‘must’ have.
- To face the challenges of future, emotional quotient should be increased. Focus should be on social interaction and analyzing abilities.

## **Areas for additional emphasis within MBA programs**

The areas that employers identify as needing additional emphasis are presented in Table 4. Not surprisingly, ‘Practice Orientation’ emerges as important. This matches the observation made by Datar et al. (2010) regarding the value of learning from doing. After all, it is

practice that can help graduates hone their implementation skills; hence, their recommendations for a greater emphasis on field work. Our sample of Indian employers seems to echo this view. At the same time, they express a preference for retaining, and strengthening, the emphasis on academic rigour. Perspective building, especially the 'globalization' gap mentioned earlier, now appears as an item that should be part of the MBA curriculum.

**Table 4: Areas needing emphasis in the curriculum**

	Private (%)	Public (%)
<b>ANALYTICAL AND CREATIVE SKILLS</b>		
Academic rigour; conceptual understanding	50	50
Developing strategic thinking	47	30
Creativity	41	20
<b>TEAM WORK</b>		
Group Assignments	67	50
<b>PRACTICE ORIENTATION</b>		
Faculty Industry Interface	47	70
Research and practical output	35	30
Focus on practice	61	50
Internships & on the job training	76	50
<b>PERSPECTIVE</b>		
Globalization	41	20
Expertise and environmental understanding	51	40

We illustrate the above dimensions by presenting the voices of the employers below.

#### **Practice orientation:**

- Increase the number of projects that students have to do. This would help to develop entrepreneurial thinking, leadership, managing diversity at the workplace, and dealing with different perspectives. This would also give them a chance to learn from their mistakes.
- More current/ contemporary Case studies on Indian firms to be covered.
- Focus more on hands-on problems by maybe increasing the internship period and even giving it grades; encourage faculty to obtain industry experience and develop relevant cases – the world is changing very fast.
- Tie-up with industry for live projects as part of curricula. In-house live projects such as dealing and trading in stock, forex, etc. through dedicated terminals can help.
- Research based on industry demand; Faster changes in curriculum to suit market needs;
- Semester long internship in industry.
- Process-based training and exposure.
- Enhanced interface with industry.



- Competency mapping and recommendation for growth in a career lattice.
- The key to future relevance is a focus on practice. MBAs are increasingly detached from the world of practice. So the institutes should focus more on practice, by sending students to organizations, stronger internship programs, more live projects, short stays in industry, making them work on shop floors and at the real place where transactions take place. Many institutes have lost focus on their product. They are more bothered about getting some ranking or presenting a good image of their infrastructure. Most of the MBA programs revolve around preparing managers for marketing and finance functions rather than manufacturing as a whole.

### **Team work:**

- Graduates should be able to work with all kinds of teams. Both individual and team projects can be promoted; for this one should be ready to sacrifice the summer or any other break time. It is also important to get the projects rated by B-School professors and industry experts jointly, based on their practicality and utility.
- Ability to develop and manage teams; and conceive and manage change
- What is expected of the graduates are leadership and the ability to solve problems. The transformation from “I” to “We” is very important. The new entrant is the brand ambassador of the institute and needs to remember that he is a part of a new family.

### **Analytical and creative skills:**

- Increase the emotional intelligence of the student. Soft skills should be improved. For example, students should take part in co-curricular activities. ERI (Exploring Roles & Identity), a course offered at IIMA, is one example of a course that helps students achieve this.
- Learning by self should be developed as a quality in students. Students must be aware that relearning and accepting a different viewpoint is also part of growing. They must have the ability to thoughtfully reflect upon these issues.
- Product management which is practical and applicable in industry (today it is very theoretical and can't be easily applied)
- Entrepreneurial thinking – even within an organization.
- Develop them as grounded and receptive professionals. They should have humility and should be prepared to accept the work environment, integrate, find acceptance and thus build career.
- Courses to enhance the leadership skills should be included. Moreover, courses which involve designing, exploring and the creativity part should also be included. Indian MBA students are good business leaders but not good marketers.
- MBAs come with predetermined frameworks which may not work in future. Future frameworks may be less deterministic. MBAs should be versatile and change managers willing to adapt to any situation and ready to execute.

## Reorienting the management education curriculum

In this section we pull together key critical dimensions offered by the employers who participated in this study in order to derive a few guidelines for curriculum change. This is a synthetic view of the responses of these employers, and we identify six dimensions that emerge from the analysis.

### **Introduction of the curriculum through practice:**

Some employers are of the firm opinion that a revamped curriculum needs to be based on a shift from classroom-based instruction to an industrial-experiential learning system. This approach would involve sending the students for a few weeks of industry exposure right at the beginning of their program, followed by periodic industry visits. This would apply to all students, experienced or not, since the institutes will have specific learning objectives. The projects taken up by the students should avoid areas like motivation levels of employees or job satisfaction or profitability; rather, they should focus on how industry can benefit from the students' presence in a broad sense. Institutes need to partner with industries so that the latter can teach, coach and train the students.

### **Critical thinking and diagnosis:**

“MBAs tend to rush to conclusions and are eager to recommend solutions without sufficient in-depth diagnosis and understanding of the issue at hand. The teaching / learning methodology must inculcate the need for a structured diagnosis as a standard approach to problem solving.”

### **Integrative thinking:**

“In real life business environment, problems rarely impact only one discipline to the exclusion of others. HR problems need finance support; operations issues have an HR angle; marketing solutions depend on production capabilities and so on. But a fresh MBA thinks in silos. The program must have lots of cases jointly taught by professors from two or three disciplines. This will inculcate the need for integrated thinking across organizational boundaries.”

### **Capability for learning:**

“The MBA is a multi-disciplinary, generalist program. The world of business is dynamic and constantly expands to include new areas of thinking, like sustainability, regulation, risk, etc. It is impractical for the MBA program to attempt to teach everything to the student. Therefore, what the program must aim to inculcate is the “conscious ability to learn”. Students must be made aware of the process of learning, the process of applying what they learn, and must have the ability to reflect on and articulate what they have learnt.” “Often, we find MBAs, (like any other employee in a company), going through big learning

experiences but treating them transactionally without recognizing the learning opportunity.” An MBA with a “capability for learning” can then take on new topics. The MBA program need not attempt to squeeze in more and more into an already thinly stretched curriculum.”

### **Leadership, Team Player, Innovator, Corporate Citizen:**

“It is now acknowledged that these qualities are critical for the success of any manager, including an MBA, in any business environment.” However, these qualities are difficult to teach in a classroom and so are emphasized less. This is the key paradox. “The recruiter wants a well-rounded personality for his company. And everyone recognizes this. Yet, the institute insists on having just a single indicator of the quality of its output – the GPA. Often, the institute itself will subtly discourage the recruiter from using the GPA as a strict filter. But the student knows the requirement of the companies. Therefore, the student’s CV is covered with feeble attempts to demonstrate possession of these qualities – organizing cultural events, editing the college magazine, cleaning the neighbourhood slum for a day and other co- and extra-curricular activities. At the interview, they end up sounding like Miss World contestants. If the MBA is to transform itself, it is in this area that it has the biggest opportunity to do so. Gurus from global business schools of every hue encourage companies to “collaborate with their customers” to “co-create” products. Are business schools ready to listen to their own advice?”

### **Apprenticeship before award of degree:**

“MBA students must spend 6 to 12 months in corporate environments as apprentices before they are awarded MBAs. The one-year management trainee program that many good companies have may be part of the course. There is a huge difference in the mind-set of an MBA who has just landed a job and a student whose MBA depends on the learning during the apprenticeship.

One version of how it could work is presented below:

- The Institute certifies some companies as “Teaching Partners” based on some criteria
- The Institute can also certify some senior managers as “Certified MBA Mentors,” something they can carry with them even if they switch jobs.
- The Institute develops a reasonably common program for the experiences that the students must be put through at the Partner Organization.
- The Institute randomly assigns students to these Partner organizations for apprenticeship.
- During the apprenticeship, the Partner/ Mentor will be responsible for maintaining a log of the students’ performance especially on the traits and competencies not measured at the institute, like teamwork, leadership, etc.
- The Institute will have travelling/ local facilitators who are trained and certified individuals who will work with the Partners/ Mentors in the companies and with the students to ensure that the program objectives are met. These facilitators need not be PhD-type academics, they will be more like good quality trainers.

- Most importantly, the Mentors will grade the apprentices on demonstration of certain traits during the apprenticeship. This will be used as an overall quality measure, which will not be clubbed with GPA, but presented as a separate indicator.

This model cannot expect students to have the same experience in all companies; each company will have its own culture and business goals. But, the core/ basic traits of the individual are relatively common across cultures.”

## Conclusion

The question that this paper has tried to answer is the following: “In the Indian context, what insights can employers offer on the knowing, doing and being aspects of the formation of an MBA graduate, that management education institutes can use to “rebalance” their curricula?” The theoretical framework underpinning this question was the knowing-doing-being model presented by Datar et al. (2010); we chose employers because they constituted one of the three forces shaping management education curriculum identified by Datar and his colleagues. The data used in our analysis came from interviews with and questionnaire responses from personnel from the human resource development function of 42 companies, 32 in the private sector and 10 in the public sector.

Our sample of organizations recruits mainly from the higher-ranked institutes. But even within this set, there is a lot of variation in the perceived quality of the MBA graduates. Most of this variation seems to be along the knowing dimension, and to a lesser extent, along the doing dimension. Knowledge and analytical ability seem to discriminate between the good and the not so good institutes. The better institutions may be doing a good job on the knowing dimension. However, on the creativity and the being dimensions (ethics, commitment to organization and learning attitude), MBAs may be more homogeneous. Perhaps this indicates an opportunity for the top-ranked institutes to focus more on the “being” elements suggested by Datar et al. (2010).

Indian employers clearly expect certain functional roles to be filled by fresh MBA graduates. These include Business Development, Sales and Product Management, Client and Customer handling, Finance, and Brand Management. What is expected by the employers in addition is a hands-on approach to work. This indicates that while rebalancing their curricula, business schools must retain a focus on their current strength in the “Knowing” dimension, while augmenting their stress on the “Doing” dimension.

Regarding the skill-sets noted by the employers, there is a set that is directly within the scope of the traditional knowledge-skill objectives of an MBA program, like analytical skills. Traditional MBA programs in the top-ranked institutes are strong on preparing students for this set of skills. However, when we examine the eight curricular gaps identified by Datar et al. (2010), four—leadership, creativity and innovation, critical thinking and communication, and understanding the purpose of business—seem to be very clearly on the radars of employers. Specific skills and qualities that can fit under global perspective, integration skills (though this dimension may show a strong overlap with leadership),

recognizing organizational realities, and understanding the limits of models and markets, seem to be under-emphasized. Perhaps B-Schools, at least the top ones, can build on these, thus creating a greater awareness about emerging areas of curricular focus. Recognizing organizational realities is one area that employers may assume is something one learns through engaging in practice; however, B-Schools would do well to build this into their curriculum since it counters an oft-made criticism of MBAs: "They are naïve."

It is the "Being" dimension that seems to call for attention while making any attempt to rebalance the curriculum. Leadership means taking responsibility for implementing change, developing a certain depth as a person, willing to shed any stereotypes that one may have carried into the job, understanding the balance between a career and commitment to an organization, developing a commitment to practice, understanding one's own limitations, and working out one's expectations in a reasonable manner. In addition, developing an integrated perspective is an important aspect of developing the "Being" dimension. This is where the challenge for B-Schools lies. These qualities are not easy to develop in a classroom set-up, and call for more experiential methods of learning. B-Schools, by and large, are not as competent in these methodologies as they are in methods that develop analytical, instruction-based knowledge and skills.

The qualities that the employers would like stressed fall mainly under three labels which can be directions for curricular change: Practice Orientation, Team Work and Perspective Building. Finally, we present a set of six guidelines that seem to be important from the employers' perspective as a model for future curricular practice: Introduction of the curriculum through practice; Critical thinking and diagnosis; Integrative thinking; Capability for learning; Focus on a complex made up of Leadership, Team Player, Innovator, and Corporate Citizen; and Apprenticeship before award of the MBA degree.

## References

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## Appendix 1

### Interview guidelines

- Q1. Which are the institutions from where you have recruited MBAs in the recent past?
- Q2. Do you see differences between students recruited across schools. If yes, what are the major dimensions on which they differ?
- Q3. What are some of the critical roles and activities you require or expect MBAs to perform in the initial years of their work.
- Q4. What are the skill sets you require in the MBAs to perform the above roles and activities? How well have management schools been able to develop these?
- Q5. What do you consider to be the key dimensions on which the MBA programs add value today? What differentiates an MBA from a non-MBA? Mention two to three key differences or value-adds.
- Q6. What should be additional emphasis of the MBA programs based on your needs?
- Q7. What should the business school do less of or not at all in the MBA programs?
- Q8. Other comments and your views to make management education more relevant and useful so as to meet the future needs of the country.

## Appendix 2

### Companies which participated in the study

#### Public Sector Companies (10):

1. SAIL (Steel Authority of India)
2. NTPC (National Thermal Power Corporation Limited)
3. BHEL (Bharat Heavy Electricals Limited)
4. RBI (Reserve Bank of India - India's Central Bank)
5. ONGC (Oil and Natural Gas Corporation)
6. GNFC (Gujarat Narmada Valley Fertilisers)
7. GSFC (Gujarat State Fertilizers and Chemicals)
8. SEBI (Securities and Exchange Board of India)
9. SBI (State Bank Of India)
10. Coal India

#### Private Sector Companies (32):

1. Oracle India
2. Infosys
3. Aditya Birla Corporate
4. Idea Cellular Limited
5. RPG (R. P. Goenka Group)
6. Adobe India
7. HDFC (Housing Development Finance Corporation Limited)

8. HSBC (HSBC Holdings plc, the Hongkong and Shanghai Banking Corporation Holding company)
9. Wipro
10. Tata Steel
11. Ashok Leyland
12. RIL (Reliance India Limited)
13. CRISIL (Credit Rating Information Services of India Limited)
14. HUL (Hindustan Uniliver Limited)
15. JP Morgan (JPMorgan Chase)
16. TCS (Tata Consultancy services)
17. Tech Mahindra
18. Publicis Capital
19. ITC Limited
20. Hitachi America Limited
21. TIBCO (The Information Bus Company)
22. Titan
23. Flipkart India
24. Infibeam India
25. ADAG (Reliance Anil Dhirubhai Ambani Group)
26. Sequencher Tech
27. Torrent Power
28. Ferromatik Milacron India Pvt Limited
29. ICICI (Industrial Credit and Investment Corporation of India)
30. Dr Reddy's Limited
31. Microsoft India
32. IBM Daksha