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MANAGEMENT EDUCATION - TOWARDS COMMON QUALITY ASPECTS

India became a free nation on 15th Aug. 1947 after many centuries of foreign rule. At that time there was hardly any industry or infrastructure in the country and the population was around 330 million. There were three engineering colleges in the whole of undivided India and no management institute. There were few cottage industries that too due to the vision of the father of the nation - Mahatma Gandhi. The education system was geared to produce “Babus”. The role of public sector and private sector was defined. The process of industrialization commenced in a planned manner.

Today we have more than 300 universities, 1250 engineering colleges and 1250 management institutes, all AICTE approved. With the introduction of LPG (Liberalization, Privatization and Globalization), India is now a manufacturing and R&D hub for many MNCs due to the availability of cheap trained technical man power, raw materials and large market. In order to sustain our growth on continuous basis, it is essential that our products / services and above all our managerial man power have to be of international standards. With this mission in view, we would discuss below some of the salient aspects of management education in India. Foremost are the Quality Criteria. The starting point for any assessment of an institution has to be the specific institutional, educational and business environment in which the School is operating. Once this context has been understood, the particular identity and mission of the institution in question can be defined.

The next concern is students, participants and corporate customers who purchase the institution’s programmes. We have to look at the quality of the participants, such as admissions standards and selectivity; at the clarity with which intake profiles are defined in relation to the educational objectives of the different programmes, at the success of students and participants in finding jobs or in improving their careers when they leave; and at the quality of the services provided to students and participants during their course of study.

We have to look into Research and Development area also and probe into such questions as the definition of research policy, the measurement of research outcome, the school’s commitment to innovation and new technology. Various aspects of Faculty are common to all accreditation systems. A key question is whether the composition of the faculty as a whole is coherent with the institution’s strategic ambitions and adequate to service its range of programmes. It is particularly concerned with the policies and processes through which the institution manages its faculty.

We have also to examine Resources and Administration and covers physical facilities, financial viability, and the quality of the school’s management systems and general administration.

All the above aspects are summarized in a “Model”, which is reproduced below (fig. 1).

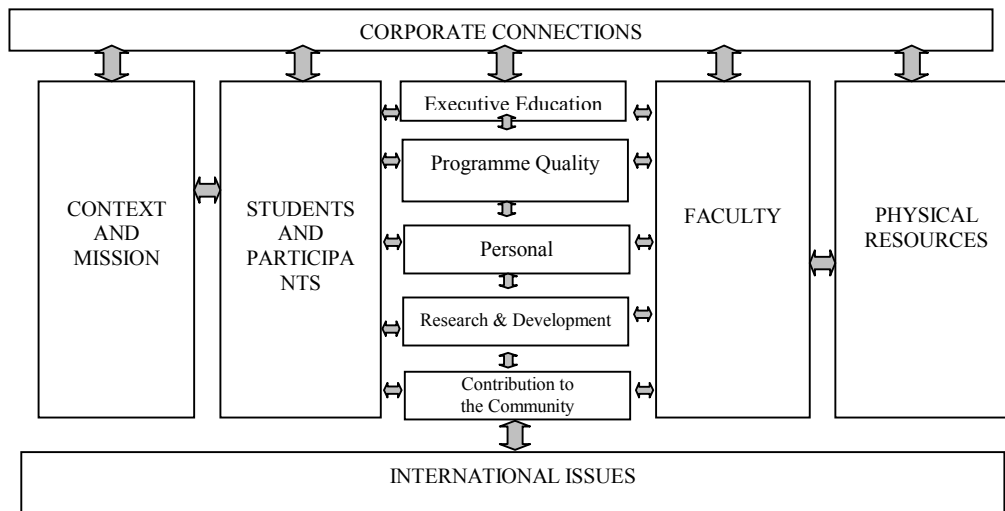


Fig. 1. Quality Model

Management theory and practice is characteristically context-specific. Each culture treasures its own approach to effective management and the community of management development providers rightly values diversity.

The global economy in which the beneficiaries of the MBA are to operate is in reality a complex mosaic and each business school has to balance the demands of three quite separate components (fig. 2).

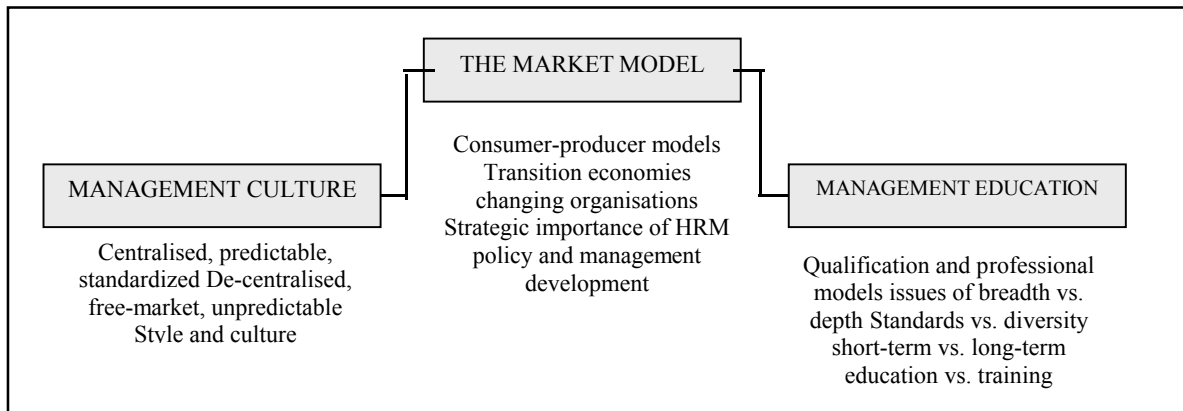


Fig. 2. Demand's Components for business school

Clearly these issues are enormously complex and in designing programmes, educators are always forced to seek a compromise between conflicting demands. They must respond to market forces and individual customer requirements, yet at the same they must fulfill their obligation to maintain educational standards. In reality, the educational community often finds these conflicts difficult to resolve and this leads to diversification and inconsistent standards. It is therefore not surprising that some interest groups place great importance on the role of accreditation or quality assessments in regulating providers. But even here there are pitfalls, for the drafting of standards is relatively simple but may stifle long-term flexibility and improvement. If we review the standards applied by agencies operating within the field of MBA accreditation, a striking fact emerges. Although MBA accreditation is by definition a form of programme accreditation, most agencies combine the review of the programme itself with a review of institutional quality. Less obvious are the standards used to evaluate the quality of the learning experience itself and its impact on the user community. The truth is, of course, that these dimensions are more difficult to measure but it can be reasonably argued that effective evaluation of these two dimensions will lead to an accurate assessment of institutional and programme quality (fig. 3).

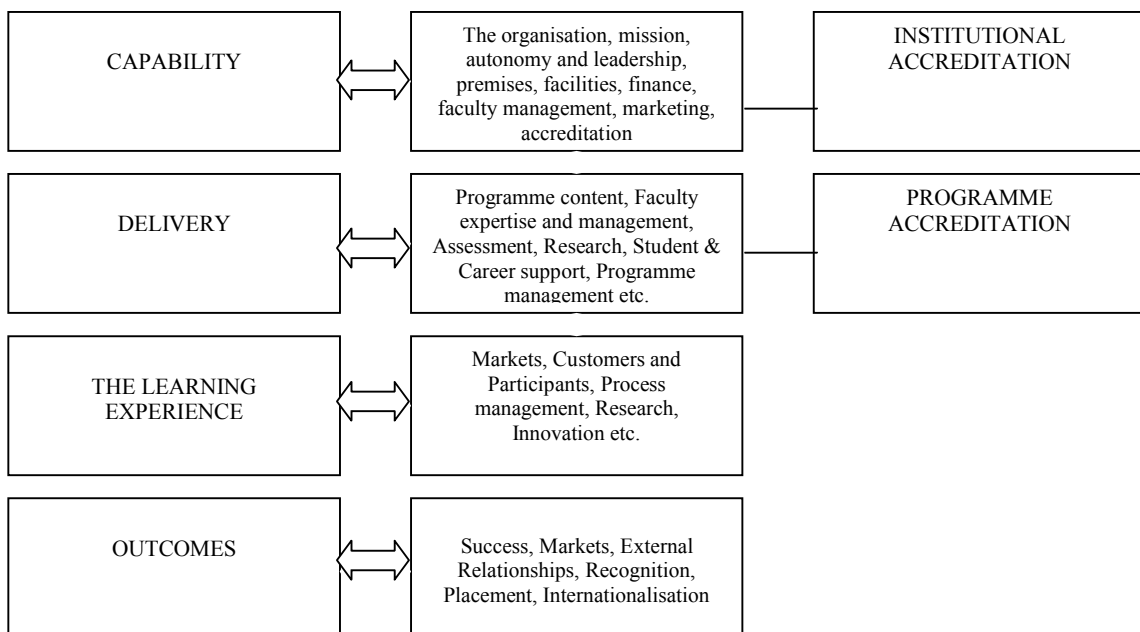


Fig. 3. Accreditation and a process model for management development

Rapid change will almost by definition lead to instability in key market sectors and reduced standards in some areas. Government has a duty to protect the rights of its citizens and may feel the need to intervene to preserve standards of education and training. However, it should also separate between the need to impose minimum standards and its role in supporting true quality improvement and the independence of individual professional communities. In the educational field, as with all professional fields, the combined community of providers and users is in the best position to identify the standards that should be applied.

The design of the protocols and standards to be applied in each discipline will be critical to future success and will need to satisfy some important guiding principles, namely:

- the purpose behind accreditation and therefore the standards must be clearly defined, transparent;
- the professional community must be involved as much as possible in the process of designing and implementing systems;
- the processes used to design and implement systems should exploit expertise from international networks but preserve the cultural diversity and sovereignty of national systems;
- the standards themselves must be flexible and capable of easy modification;
- the accreditation procedures must be seen to deliver clear benefits in terms of improved effectiveness and quality;
- accreditation procedures must be subject to regular and independent reviews.

There is no doubt that business education today has all the characteristics of a typical service industry. With the exception of some instances of distance learning, this ‘product’ is consumed at the time it is made, strongly depends of the skills of the education provider and the direct contact between the provider and the user (whether a person or through electronic media) and results in the changed knowledge, skills or attitudes of the user. No wonder, then, that the return on investment in education keeps to be an issue of interest for the managers in charge of people development.

Although this problem plagues business education throughout the world, the lack of customer oriented services is even more strongly pronounced in some of the institutions operating in a country. Lack of experienced administrators and faculty creates many obstacles to quality improvement. Good examples are the emergence of learning over Internet, Videoconferencing and other forms of distance learning.

In Europe, it has become very popular to talk about standards, accreditation and formal benchmarking.

Four steps in dealing with quality problems in policy and strategy are:

- spend reasonable time in the market, observing the competition and talking to the potential customers (be it students and their parents or executives of multinationals active in your target market) – understand what they expect from you and what you could make them want;
- go to top class institutions (in your own environment or elsewhere) and learn;
- decide where you shall cut the “Services-Money-People” circle and bring it to higher level;
- regardless of legal requirements, set up active governance bodies (formal, where applicable, like supervisory board, and informal but equally demanding, like advisory board). They should push you to deliver and justify gaps between planned and achieved, but also help you in dealing with strategic issues (not only in terms of strategy formulation and/or verification, but also with solving the critical problems like key hires or fund raising).

ISO 9000 family of standards or business school accreditation, (be it AACSB, CEEMAN etc.) have the same objective: to certificate that the minimum standards of sustainable quality have been met and to help the institution better understand (and improve) its own quality through the certification process.

One possible way of checking how well the institution leader stands against this group of parameters starts by observing how the formal statements about quality (if any) are translated into the quality of people engaged with the institution. Leaders committed to quality tend to get significantly higher level of people and make sure that they accept constant improvements as way of life. The motto of my own institution “Only the best is good enough” can serve as a reminder for the need of clear message delivered from the top. Even if we leave aside ‘smooth operators’ (those whose agenda is other than providing high quality educational services), leadership of the observed institutions suffer from too much bureaucracy and too little entrepreneurship (both business and intellectual).

We suggest the following four steps in opening one’s personal leadership profile to quality issues:

- decide what quality means for you and your institution, keep strongly believing into it, but assess your judgement periodically;
- communicate your quality statement to all internal and external partners (and, in a way, “burn bridges” by setting clear expectations), keep repeating;
- show clearly where is the line over which there are no compromises (and do it on as many practical examples, big and small, as possible, since action speaks louder than words);

- show clearly your appreciation of people who care for quality (primarily by getting them involved).

People Management Issues:

- First class people bring first class people, second class people bring third class people – when in doubt don't (employ).
- Money is important, so find creative ways in letting people earn it.
- Develop people by giving them opportunities and support, as well as tolerating the mistakes they make as a part of good effort.
- Dare, care and share.

A typical «chicken and egg» problem evident in this area is the issue of low level of investment in people development. When it is related with companies, it results in low level demand (which is quite typical for the area, compared to developed countries). However, when it is related to the educational institutions, it results in poor quality. Resulting negative selection and lack of investment just reinforces the outflow of high potential people.

We will elaborate on issues and advice in Resource Management:

- be prudent when managing your finances, set conservative annual budgets, control them regularly and make sure that your institution runs as a business even if it non-for-profit;
- outsource whatever non-core activity you can and if possible get rid of non-performing assets;
- invest in information technology for business and advanced teaching. Look at new technology as an opportunity to offer better services.

Another problem is closely linked to the widely spread business' lack of understanding of business education (and in particular of its sales & logistics side). More often we observed problems in the composition of institution's staff. Some of these problems are inherited from the past, but some show poor judgement related to the profile of people needed or their efficiency. A good example was an institution in Czech Republic, which had several times more drivers and cleaning staff than faculty, regardless of the fact that it had a dean & director coming from Canada.

We usually find an obvious mismatch between the resource management criteria (resources including finances, information, materials, assets, technology and intellectual property) put emphasis on effective and efficient management of resources, most of the problems were the consequences of strategically unjustified piling of some resources or lack of investment into others, as well as of the poor understanding of the management of specific resource (especially finances).

By far the most common problem is lack of expertise in financial management. Although virtually all institutions teach it, not that many successfully practice it. The understanding and avoidance of non-performing assets seems to be rare. Most of the institutions having the opportunity to invest, invested relatively heavily (compared to their available funds) into buildings, computers and other assets. Very seldom were they able to clearly justify such investments by newly generated income or some other strategic reason. The effective use of IT infrastructure is another problem. Most of the institutions use it for routine office work and some basic teaching, but few make use of it in order to develop software applications and information superstructure that would enhance the business (either through more sophisticated sales and marketing support systems or through advanced teaching).

Finally, few words to be said about the ethical component of resource management in the area of intellectual property rights. Our quality model treats processes as by far the most important of all five quality enablers (followed by leadership, people management, resources and policy & strategy). We have seen only very few institutions placing significant attention on defining and improving their business processes. Key issues related to processes are institution's ability to recognize processes, which are key to success, manage them systematically, improve them on purpose using innovation and creativity, as well as change them effectively and evaluate the results of such changes. While the best institutions in the region cope relatively well with the first two issues, only exceptionally they address any of following three.

The most common major issue related to process quality is the lack of process thinking. Functional organization of the institutions usually complements academic organization (typically into chairs or departments), with many institutions, even the larger universities, having only rudiments of some vital functions (like marketing or purchasing). Another problem, which educational institutions share with business organizations, but which within education area seems to be even more likely to develop to huge proportions, is cross-departmental squabbling. We see two most important causes for it in lack of leadership, which results in lack of shared goals and lack of commitment to the institution as a whole, as well as in the desperate shortage of resources, which lets constant dog-fights over minor issues dominate the everyday life of the institution.

Next major issue leading to poor process quality is poor judgement and lack of objective criteria in evaluating own institution and quality related issues within it. Very few institutions are ready to engage in benchmarking against the best practices. Often used argument “We live in specific environment and cannot compare ourselves with...” is simply false, since globalization leaves no room for hiding of that kind.

Like a manufacturing organization, cost, time and quality consciousness plays a vital role in management education also. Similarly cost effective latest methods of teaching have to be adopted. Unfortunately in our country there are too many management institutions spread all over. Most of the institutes are in the hands of influential private owners, who have money but no professional experience. There are no service rules for the faculty or staff. At the time of recruitment, a representative of the affiliating university is present, but the private owners sack the faculty or staff at will and there is no statutory control.

If we have to produce managers for tomorrow and to meet the global standards, we have to keep some of the above points in view and implement them without any favour and fear at all levels. Mushroom growth of management institutions during the last 10 years has spoiled the arena. Many of them do not have any infrastructural facilities like computers, international magazines, library and above all properly qualified faculty. There is hardly any attention given to Consultancy, R&D and development of relevant Case Studies. Faculty turn over ratio is very high. There are hardly any service conditions or perks and promotional avenues. Owners' only aim is to generate funds. It is therefore, essential that we must have strict accreditation systems with regular quality audits from time to time. There should be unannounced visits by the experts from the statutory authorities.

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ПРОБЛЕМЫ ОБЕСПЕЧЕНИЯ КОНКУРЕНТОСПОСОБНОСТИ ПРОДУКЦИИ ОТЕЧЕСТВЕННЫХ ПРОИЗВОДИТЕЛЕЙ

Необходимость интеграции российской экономики в систему современного мирового хозяйства обуславливает интерес к проблемам обеспечения конкурентоспособности на различных уровнях национального хозяйства не только со стороны политиков и представителей реального сектора экономики, но и общественности.

За рубежом проблематика конкурентоспособности занимает одно из центральных мест в экономическом анализе деятельности субъектов хозяйствования. Прежде всего, это связано с объективным ростом международной и внутренней конкуренции в течение последних десятилетий [1, с. 84]. Рыночная экономика предполагает обеспечение конкурентоспособности отечественной продукции как на внутреннем, так и на внешнем рынках. Фундаментальные изменения структуры мирового рынка, связанные с переходом группы стран от плановой к рыночной экономике, отсутствие последовательных шагов по реформированию внутреннего рынка привели к свертыванию национального производства и сокращению экспорта [1, с. 85].

Спад и структурные изменения промышленного и сельскохозяйственного производств, большая степень физического износа основных производственных фондов, снижение интеллектуального потенциала, игнорирование интеграционных преимуществ странами СНГ, - все это привело к снижению конкурентоспособности продукции отдельных отраслей и экономики стран в целом. Татарина Д.В., исследуя вопросы качества в управлении промышленными предприятиями, сделала вывод, что конкурентоспособность продукции в условиях рыночной экономики определяется триадой рыночных показателей: качеством, ценой, сроками поставки [2, с. 4]. По мнению автора, цена и сроки поставки в определенной степени являются характеристиками качества продукции, так как они обеспечивают доступность продукции потребителю. Доступность как важный показатель качества продукции можно рассматривать в двух аспектах: в физическом и социально-экономическом. Первый характеризуется возможностью потребителя воспользоваться нужной ему продукцией в том месте и в то время, где и когда ему это необходимо. Социально-экономический аспект определяется соразмерностью стоимости продукции на рынке и покупательной способностью населения и юридических лиц. Здесь решающее значение приобретает цена продукции [2, с. 4-5].