

COLUMN: HIGHER EDUCATION

NEED TO REDEFINE MANAGEMENT EDUCATION?

By Dr. Shashank Shah

What was the cause behind the multiple financial, economic and corporate debacles that we have witnessed in the last few decades? Was it the lack of regulation and governance systems? Or the lack of value systems? Many scholars, academics, policy makers, regulators and researchers have given different answers to this question. I believe it was a lack of both. Whether the East Asian crisis of the 1990s, the mortgage crisis in the USA in the 2000s, or the sovereign debt crisis in the Eurozone in the current decade, it is the value systems of people at the helm of affairs, or rather the lack of them, that created problems for multiple stakeholders within and outside the institutions that were responsible for them.

In his inaugural address at a Conference on Ethics and the World of Finance, Duvvuri Subbarao, former Governor of the Reserve Bank of India observed, "The financial sector is, after all, a reflection of the society in which it operates. So, the approach to bringing ethical values into finance has to begin not by special efforts to enforce or regulate ethical standards in finance, but by fostering a value system in society at large."

THE ILLS OF MODERN EDUCATION

The link between education and employment from the colonial times has gained a deep-rooted presence in the Indian education system, and even in other parts of the world. In recent decades, 'higher learning' has been often substituted by 'higher training'. As renowned edu-



cators James Engell and Anthony Dangerfield observed, 'Job training centers are masquerading as university campuses'.

While the challenges are diverse and numerous, the ills of modern education can be classified into four broad themes:

Loss of Core Purpose of Education

One of the fundamental limitations of modern edu-

cation has been the lopsided emphasis on knowledge for living at the cost of knowledge for life. Achievements in sciences, technology, management and social sciences have been tuned to higher standards of living and focused on individual uplift, rather than social regeneration. As highlighted by the Dean of Harvard College, Rakesh Khurana in his insightful book, 'From Higher Aims to Hired Hands', the original intent of instituting a management degree was to educate a managerial class that would run America's corporations in a way that would serve the broader interests of society rather than the narrowly-defined interests of capital or labour. Even though the initial business schools were established with an eye towards serving the public good, business schools eventually strayed away from their initial intent.

Lack of Social Benefit from Research Programmes:

The primary objective of research programmes for higher learning funded by external agencies has been commercialization of findings, leading to economic benefits for individuals and institutions, and hardly any benefit to society that has intangibly nurtured these institutions. Unsurprisingly, more than 20 crore people in India and over a hundred crore across the world continue to live below the poverty line in spite of billions of dollars being invested in advanced research, science and technology. In this context, Engell and Dangerfield observed that in recent times, underwriters of education growth have increasingly insisted that the money they supply through education-focused philanthropy serves some determinate commercial purposes, and not just nebulous benefits like 'fostering learning' or 'preserving culture'.

Distrust in Business Schools:

Corporate debacles and terror attacks across the globe are examples of how highly educated and technically qualified individuals could indulge in economic frauds and inhuman acts. In his research, Harvard Professor Srikant Datar emphasized that in the post-financial crisis scenario, people don't simply lack trust in business schools, they actively distrust them. To reduce people's distrust, business schools need to teach that principle, ethics and attention to detail are essential components

of leadership, and they need to place a greater emphasis on leadership's responsibilities, not just its rewards. For this, all MBA programmes need to focus more attention on issues of accountability, ethics and social responsibility. They are no longer frills, but have become essential to effective management - indeed, they always have been.

Disconnect between Profits and Purpose:

The root of the problem as I understand is that integration of knowledge with wisdom is not being proactively attempted in educational institutions in India and



across the world. The result has been that excellent academic performance, competence and capability are not coupled with a commitment to use all these for the welfare of the society. The self-centric syndrome in all fields has remained dominant. Unfortunately, such an education system produces intellectual giants but moral dwarfs with lot of ability, and very little nobility. Former Dean of Harvard College, Harry Lewis lamented that Universities today have forgotten their larger educational role. While they succeed better than ever as creators and repositories of knowledge, they have forgotten that the fundamental job of education is to help students grow, to learn who they are, to search for a larger purpose for their lives and to leave college as better human beings. ■

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