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Globalizing India : Response of Indian B-Schools



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CONTENTS

FOREWORD

PREFACE

Chapter – 1 Introduction

Chapter – 2 Drivers of Internationalization for Higher Education Institutions

Chapter – 3 Current Status of Globalization in Indian B-Schools

Chapter – 4 Visions of B-Schools : Is Globalization There?

Chapter – 5 Conclusions

LIST OF BOXES

Chapter – 4

Box 4.1 Vision Statement of Nine Leading US Business School

Box 4.2 Vision Statements of Top Indian B-Schools

LIST OF TABLES

Chapter – 5

Table 3.1 Curricula at Indian B-Schools

Table 3.2 London Economist Ranking Model

FOREWORD

This paper perhaps for the first time, dispassionately analyzes, after surveying the experience and reviewing the facts, the globalisation of management education in India, whether Indian B-schools have achieved it, and what should be the future plan of action.

Management education in India has become a preferred course for the best and brightest students in India because it offers lucrative career opportunities. The high quality of the students and their mutual interaction, rather than what is taught in the classroom, has contributed to Indian B-school graduates, especially from the top 100 or so schools, to be in great demand in India and overseas. B-schools in India have few faculties trained specifically for teaching management. Most come from different disciplines. There is little attempt to integrate them into a “management” faculty. Further, there is also severe shortage of faculty. Attrition is fairly high due to opportunities in the many schools in the country. And yet, B-schools have to prepare their students for competing in an open economy, with products and services originating in India as well as abroad. Indian companies cannot remain static. They must innovate constantly, in products and processes in India and abroad. Increasing numbers are setting up operations abroad by new start-ups and acquisitions.

Preparing management students for this situation calls for changes in curricula, experiences and attitudes. Some of the best B-schools have tried to adjust by adding subjects in core and elective courses, attracting foreign students, collaboration with overseas institutions and enabling students to spend a term or more with them, “joint” degrees, importing foreign faculty, and by setting up campuses abroad.

Curriculum additions have been of subjects, (for example, international marketing, international finance, and variations on them), not by integrating global approaches into existing courses. Foreign students do bring in a different ambience in their interactions and probably help develop an attitude of understanding differences between countries in cultures, habits and practices. Collaboration can also help especially if the collaborating institution has developed new approaches, is able to send their faculty, and if Indian students spend a term or more overseas. “Joint” degrees have only “gimmick” value and may impress some recruiters but add little to the students becoming “globalized”. Only Indian School of Business

has been able to import highly qualified faculty from overseas. Most schools will not spend that kind of money on importing faculty. Indian faculty from overseas institutions also are coming to India in increasing numbers, and might be able to introduce different perspectives, though that is difficult in the present rigid curricula. The least effective way is by opening branches of Indian B-schools in Singapore or Dubai or elsewhere. The principle beneficiaries are Indian faculty sent there who can earn extra income but it does little for bringing about globalization of the education in India.

This paper asks the right questions. In my view our approach to globalizing our management education must start with the curricula which need to be more India focused while also bringing in experiences in other countries, with other cultures and practices, and other markets. Our management students must learn that there are other cultures than their own, in India and overseas. This might be done by exposure on campus to foreign cultures, cuisines, speakers sharing management experiences, apart from incorporating principles, procedures and experiences in foreign countries in the curriculum in all courses. Teaching cross-cultural negotiations from live cases is a good method to use. Getting overseas students is also a useful method to add to this. Students spending a term or more abroad would enrich them. Setting up campuses overseas has no value for this purpose and only enhances the severe faculty shortage in India.

S.L.Rao

Chapter 1

INTRODUCTION

One necessary condition for successful globalization is that the globalizing economy continuously improves its competitive profile. Sources of competitiveness are many : traditionally, costs advantage, access to factors of production and enabling policy regime have been found to be of paramount importance at macro level.

India has for long leveraged its relatively low labour costs to enter international markets. This strategy has worked, because most of Indian export industries are essentially labour intensive. However, with a high rate of economic growth along with a high level of inflation , there will be increasing pressures on the labour market which will gradually erode the initial cost advantage.

In recent times , there have been talks of India benefitting from demographic dividends. The argument in its bare essentials means that since most developed countries have a mature population structure , India with the largest share of its population being in the working age group, stands to gain from a large and expanding labour pool. The argument is valid only when the entrants to the labour market are employable , in the sense that they possess the skills that the market demands.

There is a close link between education , training and competitiveness . Higher degree of schooling raises the skills profile which in turn raises productivity which then is reflected in a higher level of competitiveness . Annual data as given in the World Competitiveness Report clearly underline this corelationship.

In actual global market, it is not countries but firms that compete. Recent literature suggests that the main source of sustainable competitive advantage is the development of firm-specific resources that generate knowledge, product/service quality , process innovation , among others.

Since the industry is getting increasingly knowledge intensive , importance of human resource as a source of competitive advantage has shifted from pure cost advantage to quality of human resource , focusing on innovation , flexibility and motivation.

Rising pace of globalization across the world, India not excluded, requires a cadre of professionals who have a global mindset. This attitudinal attribute needs to be complemented with a rigorous understanding of how globalization impacts every area of corporate operations, in addition to the macro-economic shifts and policy changes consequent to global developments.

Since the management cadre is mostly drawn from B-school Alumni, it is obvious that the B-schools bear a primary responsibility in this regard.

At another level, the B-schools, like any other institution, are also subject to the pressures of globalization. This is especially true because education, especially higher education in business management, has been a global industry for quite some time.

This research paper is an attempt to analyze the following:

- What are the drivers to internationalization for an institution of higher learning?
- How have Indian B-Schools responded to the globalization process in terms of redesigning its curricula, program portfolio and international networking?
- To what extent, the visions of the Indian B-Schools reflect their global aspirations.

02

Chapter 2

DRIVERS OF INTERNATIONALIZATION FOR HIGHER EDUCATION INSTITUTIONS

Higher education itself has already emerged as a major economic activity with fairly high international dimension. The most obvious and easily perceptible parameter of this international dimension is the increasing student mobility across frontiers. For several countries, foreign exchange inflows and outflows on account of international student mobility are substantial. United States, UK and Australia are prime examples. It is obvious that the institutions which lose such foreign students have found benefits in this activity and in the process. Their functioning must have changed.

Defining Globalization in Higher Education

The terms, internationalization and globalization, are used interchangeably in the relevant academic literature. Some commonly cited definitions are:

- “The complex of processes that gives universities an international dimension.”¹
- “The process which integrates an international and intercultural dimension into each of its three core activities, viz. teaching and learning, research and community service.”²
- “The process of integrating an international/intercultural dimension into the teaching, research and service functions of the institutions.”³

Knight-de Wit definition (3 above) seems to be the closest to capturing the process and outcomes involved in the internationalization process, as it explicitly recognizes the movement as a response to certain fundamental shifts taking place, both internally and externally to a given country.

Certain conclusions can be drawn from this approach to globalization in higher education:

- Internationalization is a process to broaden the scope of the higher education in line with the global changes.
- Internationalization is a response to globalization and not a component of the globalization process itself.

1. Hamilton (1998) : Setting the foundation for Internationalization of Australian Higher Education .

2. Hamilton : op.cit

3. Knight, James and de Wit Hans (1997) : Internationalization of Higher Education in Asia Pacific Countries

03

- Internationalization takes into cognizance inter-cultural factors along with international factors.⁴

Drivers of Globalization in Education

A complex web of forces is driving the increasing internationalization of higher education across countries. Four major motivations / drivers have been identified:⁵

- 1 Academic / educational
- 2 Economic
- 3 Cultural
- 4 Political

It should be recognized that education in the form of higher learning has been global at least for the last 1500 years, as the emergence and dominance of certain centres of learning spread over Asia, Africa, Middle East and during the middle ages in Europe clearly indicate. However, what is being witnessed today is much more significant, both qualitatively and quantitatively. And these can be attributed to the drivers as identified above. A brief consideration of these drivers follows⁶:

Academic Motivations / Drivers

The primary motivations include:

- Institution and capacity building
- Enabling researchers in specialized fields to make advances in line with their peers
- Providing access to teaching, research or services of the highest quality regardless of national origin
- Offering home students contact with other systems through foreign students, being taught by teachers with international experience or following international curricula
- Raising the quality of the home system by the application of international standards

The economic drivers:

- Income from foreign students
- Securing funds from international organizations
- Building economic competitiveness
- Preparing students for a global job market

1. Numa Sheel (2001) : Internationalization of Higher Education : The Australian Experience in Power (Ed), Internationalization of Indian Higher Education (AIU)
 2. de Wit & Knight, Jop cit
 3. Numa Sheel : op.cit

The cultural drivers:

- 1 Fulfilling the cultural function of the institution; most universities consider themselves to be international
- 2 Development of the individual (student, teaching staff , others)
- 3 Fostering knowledge and appreciation of own culture, especially language, in other countries.

The political drivers :

- Fostering understanding for world peace
- Influencing future decision-makers / opinion- makers
- Raising the international profile of a country abroad

Chapter 3

CURRENT STATUS OF GLOBALIZATION IN INDIAN B-SCHOOLS

What Do We Learn From Others

While it is clear that knowledge and skill sets for operating in a global environment are critically necessary for all business graduates, few business schools do an adequate job of preparing their students for a globalized world. While most business schools claim to cover the global dimensions of each functional area, actual coverage of international business depends greatly on the commitments and ability of such faculty to teach global business aspects and is most often neglected. True globalization of the curricula is expensive and difficult and requires hiring and supporting faculty trained and committed to that task a goal that quite often fails to receive high priority.

We have considered the status of Indian B-Schools in terms of these parameters of internationalization, viz,

- Curricula of PGDM / Flagship Program
- Executive Education
- International students
- International Placement
- International faculty
- Faculty / staff exchange program
- Research in globalization
- International Accreditation

What is not considered

Campuses Abroad

Recognising the rising level of international students, especially from some major supplying countries, several premier B-Schools in USA decided to open up campuses abroad. Proactive policies of the host governments, availability of infrastructure and local but internationally competent faculty, helped in making the decision. The objective is to offer identical, at least almost identical, education at an external campus for local students (basically cluster of nearby countries) at a cost

which is somewhat lower than what it would cost in the mother campus.

A few Indian B-Schools have also been engaged in this venture. Among public-funded institutions, IIFT has been the first to launch its program at Dubai and then at Dar-es-Salam. From the beginning, the focus was to have only local students and not to take any Indian students who could not get admission at Delhi. IIM-Bangalore also wanted to start an overseas campus but was not allowed by the Government of India.

Several Indian B-Schools have now set up campuses at Dubai and Singapore. The model is, however, different. Most students in those campuses are those who could not secure admissions in their mother campuses. By definition, the quality of students admitted in foreign campuses may suffer in such a model. Moreover, there may not be any proactive orientation of curricula to make these relevant to local context nor to induct local faculty.

In a way, this kind of expansion is possibly a result of restrictions imposed by Indian regulatory agencies to expand at home, rather than a genuine internationalization effort.

Twining / Dual Degree Program

08

There has been another area where several B-Schools have developed international linkages which appear to be mostly for commercial reasons. Also, the response in this case, as in the case of overseas campuses, is partly due to the regulatory regime relating to the presence and operations of foreign education providers in India. These are so-called twining and dual-degree programs. The future growth of these types of programs which allows Indian students to access global education wholly or partly in India will depend on how and when the Bill relating to foreign education providers is introduced by the Government.

However, these dimensions of internationalization have been kept out of the present study on the ground that the study has looked at how and to what extent, the mainstream operations of Indian B-Schools have taken into cognizance the imperatives of globalization, essentially focusing on the academic content and delivery of their flagship MBD/PGDM programs.

B-School Studied

We took a sample of top B-Schools in India, viz. IIM-A, IIM-C, IIM-B, MDI and ISB. We kept IIFT out of this, as its flagship program is MBA (International Business) and the curricula are consequently totally focussed on globalization-related issues. Excepts ISB, which offers a one year program, all others offer a two year program.

Curricula

We have attempted an analysis of the contents related to globalization in the curricula of these B-Schools, based on the information as available in the respective websites. Since the sites provide only the nomenclatures of the courses, both core and electives, but not the actual contents, there is no way to ascertain whether globalization issues have been integrated internally, even though on the surface, the course looks oriented only to the domestic market. It is possible that some teachers in some courses must have done this integration. But for this analysis, we have gone by the explicit nomenclature of either 'international' or 'global'.

Principal conclusions that can be drawn from this exercise are:

- B-Schools curricula remain fixed on their domestic orientation. IIM-C, IIM-K and ISB have only one core paper on international / globalization issues. The rest has none.
- The position is somewhat better in the area of electives but only marginally. None offers a major in international business.
- Within the major familiar areas, such as finance, marketing, OB/HR, etc. there are a few courses relating to international / global dimensions. The most common ones are International Marketing, International Finance, International HRM and Global Strategy. It seems that the B-Schools have tried to offer at least one course on international issues in each area, more as a matter of gesture than as a matter of substantive reorientation.

09

A summary statement can be seen in Table 3.1.

Table 3.1
CURRICULA AT INDIAN B-SCHOOLS
Courses on International Business

INSTITUTE	YEAR (I/ II)	SUBJECT	CORE/ ELECTIVE
IIM AHMEDABAD	II	International Business	Elective
	II	International Trade and Investment	Elective
	II	International Marketing	Elective
IIM CALCUTTA	I	India and the World Economy	Core
	II	Globalization and Developing Countries	Elective
	II	International Finance	Elective
	II	International Marketing	Elective
IIM BANGALORE	II	International Finance	Elective
	II	International Banking	Elective
	II	International Business Negotiation Skills	Elective
	II	Multinational Management	Elective
ISB HYDERABAD	II	Global Operations Management	Elective
	II	International Finance	Elective
	II	Global Strategic Management	Elective
	II	International Marketing	Elective

We took a closer look at the MDI curricula, keeping in view what the institute has set as an objective of the PGP in management which is as follows:

“Develop a global mindset so that they (the participants) are better able to address the challenges of global competition.”

Arguably, the objective is not to prepare global managers but essentially limited to developing the skill sets required to face global competition. Keeping in view this fairly restretched objective, MDI curricula are infact quite comprehensive. It offers eight electives, the largest number among the sample B-Schools. It is also the only one which offers an elective on international economics.

The other electives on offer are:

- International Marketing
- Inter-cultural communication
- International HRM
- International Corporate Finance

- Global Financial Reporting
- Global Strategy
- Strategic Alliances and JVs

Executive Education

If attention is paid to the second major component of program portfolio of B-Schools, viz. Management Development Programs, which are essentially for those already in service, it is again found that programs in the areas of globalization are very few. The samples considered are the list of programs as given in the websites of the B-Schools for specific periods. Admittedly, no comprehensive database of all MDPs offered by the concerned B-Schools has been developed. But the sample documents provide a conclusion which is not likely to be unproven by a larger sample.

The reasons behind this phenomenon may originate either on supply side or demand side or both. On the supply side, the faculty which offers the PGP program and those who are involved in MDPs are broadly identical. And therefore, their intellectual competence and propensity will be reflected in both. On the demand side, MDPs are mostly driven by market considerations. Since these are to be financially viable, only those will be offered which are subscribed by the industry. It is possible that senior management of Indian industry is not looking for programs on issues relating to globalization and therefore, B-Schools are also lukewarm towards developing such programs.

International Students/Exchange Programs

This is one area where many B-Schools, including those which are studied in particular for this study, have attempted to internationalize themselves. They have entered into students exchange programmes which literally cover the world. Many B-Schools have signed more than a dozen such exchange programs, though informal contacts with some schools indicate that only a few are active.

An interesting feature is that many partner institutions abroad are not from countries which are leaders in management education but are from much less well known countries in Europe, East Europe and some developing countries. Among developed countries, French institutions are quite active, even if there are issues with respect to language.

One weakness relates to the fact that except for the few prominent Indian B-Schools, many partner institutions abroad are not highly recognized academically.

Another weakness is that many Indian B-Schools have not really integrated the students exchange program with their mainstream program with little clarity of the learning outcomes.

International Placement

One interesting paradox is that despite the strong domestic orientation of the syllabi, the top tier B-Schools (mostly IIMs) have steadily improved their international placement record, both in terms of summer and final. It is possible that strong domain knowledge of the students is the major attraction for the recruiters, rather than cross cultural strengths or sensitivity to global issues. At the entry level of management, this is quite understandable. It is equally true that many Indian B-School Alumni have gone up in hierarchy, reaching even the very top in major MNCs located outside India. What might have helped is their early induction in an external environment where they could imbibe, directly and possibly more effectively, what would have been taught at a more academic level in the schools.

Whatever may be the underlying reasons, there does not appear to be a linkage between the extent of globalized curricula and international placement.

International Faculty

ISB is a statistical outlier in this respect. It has a formidable inventory of foreign faculty who come and deliver courses. For the rest of the sample B-Schools, the record as available in the public domain, is pretty poor. Outside the sample, anecdotal evidence suggests that there are some institutions which have started inviting foreign faculty during the academic year 2008-2009. It is understood that the great lakes school, Chennai invites foreign faculty regularly.

There are some institutions which invite foreign experts, mostly very renowned ones, essentially for brand-building exercise, rather than internationalize the program delivery.

Research in Globalization Issues

Again based on the data as available in the respective websites, the scope and quantum of research on globalization issues appear to be fairly limited in B-Schools. Infact, most important work on Indian globalization has been carried out by either foreign researchers or Indian academics based abroad. Several premier B-Schools abroad including Harvard, have set up centres to study the emerging contours of Indian economy and its management in India. Case studies of Indian firms have been / are being developed. In contrast, the contributions of Indian academics as well as institutions appear to be less than adequate.

International Accreditation

During the last few years, the top tier B-schools in India have been showing an increasing interest in getting the process started, which itself takes at least a few years. The principal motivation appears to be two. As the prospective domestic students today get more knowledgeable to evaluate the quality of a B-School, its importance as a differentiator is clearly recognized.

Second, if a B-School is seeking proactively to diversify the students intake by raising the intake of foreign students, the accreditation can be a major marketing tool.

As Shekhar Chowdhry, Director IIM-C said in a press interview:

“We are trying to get the accreditation from an international agency called AACSB which will help get us more foreign students in future..... It is a long process. I think the assessment will take at least the next 2-3 years.”

Similarly, according to media reports, IIM-A is going for the EQUIS European accreditation which is also globally accepted and respected. The motivation is that it would help its global position and provide greater market access. Several other premier B-Schools are also in this venture. In addition to the perceived benefits as identified above, achieving a more coveted global position and help in securing academic partnerships with more famous B-Schools abroad, who are already accredited, appear to be some other reasons behind these efforts of the B-Schools. It is also quite obvious that the proactive marketing stance of the accreditation agencies has also been a factor. For example, the accreditation agency EFMD which offers EQUIS has visited several important B-Schools in India to explain the benefits and the process involved.

Rankings of B-Schools: Is globalization a parameter?

Increasing usage by the students community in India to use the ranking exercises by various media and professional bodies, such as AIMA, has prompted the B-Schools to look closely at the determinants of the Ranking methodology. Unfortunately in India the only official accreditations that are available to B-Schools are those of AICTE, NBA and AIU. These are useful surrogates to a student to evaluate the academic credentials of a B-School. However, since these are not relative grades, the students cannot distinguish within the two subsets, i.e., accredited and non-accredited. For this purpose, students normally use the Rankings developed by various media groups. Students are quite conversant with the fact that interpretation of these rankings across the whole range is difficult, because the methodology used is different.

Without going to the merits/demerits of the ranking exercises, we will make observations on only one point which is related to the globalization issue.

- To what extent ranking exercises globally accord importance to the international character of a B-School and what is the position in Indian counterpart exercises ?

International Ranking Exercises

The Economist (London)

For this exercise we have considered a few top media rankings . First is the one carried out annually by the Economist (London) . We have taken the methodology for the 2009 exercise.

The Economist using a total score of 100 out of which student and alumni ratings made 20% and 80 percent , is based on data provided by the schools. The summary of ranking criteria and weightings are as given below :

Table 3.2

London Economist Ranking Model

Sl. No.	Measure	Indicators	Weightings percentage of category
A. Open new career opportunities (35%)			
1	Diversity of recruiters	Number of industry sectors	25.00
2	Assessment of carrer services	Percentage of graduates in job three months after graduation	25.00
3	Job found through the career service	Percentage of graduates finding jobs through carrers service	25.00
4	Student assessment	Meeting expectations and need	25.00
B. Personal Development / education experience (35%)			
1	Faculty quality	Ratio of faculty to students	5.00
		Percentage of faculty with PhD (full-time only)	10.00
		Faculty rating by students	
2	Student quality	Average GMAT score	18.75
		Average length of work experience	6.25
		International diversity score	8.33
		Percentage of women students	8.33
		Student rating of program content and range of electives	6.25

		Range of overseas exchange programs	6.25
		Number of languages on offer	6.25
		Student assesment of facilities and other services	6.25
C. Increase Salary – 20%			
1.	How much did your salry increase after graduating	Salary change from pre-MBA to post-MBA (excluding bonuses)	25.00
2.	Leaving salary 75.00	Post -MBA slaray (excluding bonuses)	
D. Potential to network (10%)			
1	Breadth of alumni network	Ratio of registered alumni to current students	33.33
2	Internationalism of alumni	Number of overseas countries with an official alumni branch	33.33
3	Alumni effectiveness	Student assessmetnt of alumni network	33.33

As can be seen from the Table, international parameters are in terms of international diversity, range of international students programs, number of overseas countries with an official alumni branch. The combined weight of these parameters is 8.4 percent in the total of 100.

Ranking by the Financial Times (London)

The ranking exercise of the Financial Times which is in its 12th year and covers global B-schools, follows a comprehensive methodology , apart from a number of filters as to the eligibility of participation which are themselves fairly stringent. These are :

- Accreditation by an international accreditation body, such as AACSB, EQUIS or AMBA.
- It must have a full time MBA , running for atleast four years .
- It must have graduated its first class atleast three years before.
- Class size cannot be less than 30 .

The Financial Times exercise is strongly focused on alumni feedback. For example, for the 2010 rankings, 21, 328 alumni of the graduating class of 2006 were contacted with just over 8000 responses submitted. The FT always surveys graduates three years after they have completed the degree to assess the effeccts of the MBA on their subsequent career progression and salary growth. More relevant for the current discussion is the importance the survey attaches to the globalization criteria.

The Financial Times methodology uses twenty parameters clubbed under the three major heads:

- Alumni Survey
- Business School Survey
- Research Survey

Of these twenty, as many as five are related to the international character of a B-School, viz,

- International mobility of students
- International faculty
- International students
- International board
- International experience

Ranking by the Newsweek International

In response to the same forces that have propelled the world economy toward global integration, universities have also become more self-consciously global: seeking students from around the world who represent the entire spectrum of cultures and values, sending their own students abroad to prepare them for global careers, offering courses of study that address the challenges of an interconnected world and collaborative research programs to advance science for the benefit of all humanity. To capture these developments, NEWSWEEK devised a ranking of global universities that takes into account openness and diversity, as well as distinction in research.

It evaluated schools on some of the measures used in well-known rankings published by Shanghai Jiagong University and the Times of London Higher Education Survey. Fifty percent of the score came from equal parts of three measures used by Shanghai Jiagong: the number of highly-cited researchers in various academic fields, the number of articles published in Natural Science, and the number of articles listed in the ISI Social Sciences and Arts and Humanities indices. Another 40 percent of the score came from equal parts of four measures used by the Times: the percentage of international faculty, the percentage of international students, citations per faculty member (using ISI data), and the ratio of faculty to students. The final 10 percent came from library holding (number of volumes).

Indian Methodology

In contrast, an analysis of the ranking methodologies used by Indian media shows hardly any importance of such parameters. The only one which could be identified is the faculty/student exchange programs. The conclusion is inevitable that neither the B-schools nor those who are engaged in an exercise of their contribution to management education are attaching much importance to the international character of a B-School.

Chapter 4

VISIONS OF B-SCHOOLS : IS GLOBALIZATION THERE ?

The vision and mission statements are supposed to indicate the current status and goals that the B-Schools have set up for themselves. In an effort to understand to what extent the globalization dimension has got reflected in vision statements, we considered nine famous B-School in USA and some from India. A summary statement is presented in Box 4.1 and 4.2.

Box 4.1: Vision Statement of Nine Leading US Business School

Business School	Vision Statement
Harvard	To prepare students for a lifetime leadership
Stanford	To help the students to be the best leader
Wharton	To equip students how to make decisions, reason strategically, and understand all the dimensions of a business problem
MIT	Empowers students as leaders who can create innovative strategies and execute them in the market.
Chicago	To examine ideas, evaluate problems and opportunities and handling uncertainty
Tuck	To prepare students to think on their feet and act decisively in any business environment.
Haas	To educate students broadly on the topics of leadership, with a particular focus on teaching students how to lead the process of innovation within an organization
Columbia	To give students the edge for success in a world that demands smart, flexible and effective business leaders.
Michigan	To prepare students to lead globally diverse teams, consider the role of business in society, and build organizational cultures that foster innovation.

Source: MBA Brochure shown on the web site of the school

Box 4.2 : Vision Statements of Top Indian B-Schools

Top B-Schools of India	Vision
IIM, Ahmedabad	shapes management by creating new frontiers of knowledge and developing ethical, dependable, entrepreneurial, and socially sensitive leader-managers committed to excellence
IIM Bangalore	strives to achieve excellence through partnerships with industry, and leading academic institutions, the world over.
IIM Calcutta	To be an international centre of excellence in all aspects of management education.
IIM Lucknow	to be a globally, socially conscious and integrated school of management, contributing towards management development, both in India and abroad.
MDI Gurgaon	to become one of the top business schools in the world, by continuously updating itself in keeping with the ever changing global business environment, and meeting its social responsibilities
IIM, Indore	To be among the world's foremost business schools, fostering thought leadership and managerial excellence.
IIM Kozhikode	to be a centre of excellence in management education, a multi-disciplinary international b-school that produces the global business leaders of tomorrow.
IIM, Shillong	to become a Center of Excellence for the 21st Century Management Education and Research in the Country and internationally.
XLRI Jamshedpur	pursuit of excellence, focuses on three areas: academic excellence, personal values and social concern

IIFT Dehli	An internationally acknowledged and networked institution in delivering globally competitive business education and research for individuals, corporates, government and society.
Jamnalal Bajaj Institute of management studies	To develop competent high caliber management thinkers and practitioners for efficient running of Indian business and industry.

On the basis of these data, the following conclusions can be made :

- Of the nine US B-schools considered, only the vision statement of Michigan has the word 'globally', that too in respect of developing the cross-cultural capabilities in its students.
- There are possibly two reasons behind this low recognition of globalization concerns. First, these B-schools were set up at an earlier period when globalization was not a major concern. Second, historically given its massive economy, quite often American business has been somewhat insular, despite the large number of American MNCs
- What is, however, interesting is that there has been no specific reference even to the global ambition of a B-School. Again, the reason may be the US centricity of the schools. If a B-School attains a high position locally, it will be automatically globally as well.
- On the other hand, Indian B-schools which are nowhere near those US B-Schools, at least in terms of global rankings, are very explicit as to what their global ambitions are. Of the Indian B-Schools considered, only three namely IIM-A, XLRI and JBIMS do not have the word, global or international, in their vision statements. It is possible that their earlier origin is a factor. It seems that recently established schools are more ambitious and also more conscious of the international context. For example that of IIM-K reads as :
“ to be a centre of excellence in management education, a multi-disciplinary international B-School that produces the global business leaders of tomorrow “.

Chapter 5

CONCLUSIONS

On the basis of the data presented earlier, the conclusion is inescapable that the Indian B-Schools have responded less than adequately to the vastly changing character of the Indian economy.

Looking purely at the internationalization of the Indian economy, any observer will get impressed with the rapidity with which the entire policy framework with respect to foreign trade, FDI, FII etc. got substantially liberalized. The results of the policy shifts are seen in the increased share of exports and imports in GDP, higher contribution of FDI in gross capital formation and the impact FII flows has on Indian stock market. At the retail market level, the liberalized import policy has resulted in the presence of almost every major consumer brand. Some of course have come through the joint venture or wholly-owned production route, rather than the import route. On the other hand, liberalized policy on export of capital has resulted in massive cross border acquisitions by several Indian firms, leading to the emergence of Indian MNCs.

Removal of rigid licensing rules and huge reductions in import tariffs have made a large part of the so far protected domestic production open to global competition. All these have made Indian market highly contestable. As a consequence, tactics and strategies that worked in the earlier paradigm cease to be of much relevance in the new and evolving context.

There has been another major change which in fact affects the entire consumer market. The access to global information on goods and services in real time basis have permanently changed the consumer psyche and aspirations.

Such massive shifts require a fundamental rethinking in terms of what is relevant management education for the coming generation of Indian managers. In fact, the term 'Indian managers' is wrong at least partially because some of them will be global managers, just as some non-Indian manager will be in charge of some parts of Indian business. This is, the fact, an abiding feature of corporate globalization.

To address this issue squarely, Indian B-schools have to go through an extensive and rigorous analysis of how the Indian corporate sector, including the SMEs, as well as the economy in general will move, the leadership qualities that would have to be inculcated in the managers, the tool kits and skill sets appropriate to operate in an emerging economy as well as global mindset which is a must, even for survival in the coming years. This will have to be followed by developing an appropriate curricula, new learning materials as well as program delivery which will allow exposure to global /cross-cultural environment.

To end this discussion which will require an exposition on its own, we simply cite an example of how Jack Welch redefined this original analytical model of leadership to contextualize for globalization.

Box 5.1

Let's quickly review the four old E's which one of us (Jack) first developed around 20 years ago to codify his view of effective leadership. The first E was, and remains, Energy, the capacity to go-go-go, always engaged and ready for a challenge. The second E is Energize, the ability to invigorate others. Because too many smart people get stymied by over-thinking, the third E stands for Edge, the capacity to make yes-or-no decisions. And the fourth E is Execution, or getting the job done.

Now, in today's global environment with its ever-increasing competitive intensity, leaders still need the old E's. But the new E's are becoming just as essential.

Take Empathy. In the global business context, it means a lot more than warmth and compassion. It means understanding different cultures enough to show consistent respect for their values and traditions.

The second global E is Experimental, meaning a leader's fearless exploration of new ideas, products and markets, even when the rewards are not immediate. Once companies could consign innovation to a few geniuses at headquarters and take the eureka's as they came. Today, with gutsy entrepreneurs popping up in virtually every corner of the world and multinationals harvesting their employees' inventiveness not matter where they work, every company has to adopt risk-taking as a matter of routine.

The third E stands for Example, as in setting one. As companies become more far-flung, leaders face the increasingly difficult challenge of building and organizational culture with shared values.

The final E again springs from the increased competitiveness of the global market place. It stands for Excited, or more specifically, "Excited to win."

Plenty of people are perfectly happy to show up to work and put in their hours. But the never-turned-off, ever-changing world demands that leaders show up with a radically different attitude.

Source: Winning (HarperBusiness Publishers, 2005), by Jack and Suzy Welch