# Role of Accreditation in Improving Quality in Higher Professional Management Education in India

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#### **Abstract**

Demand for business management education programmes has grown exponentially. With a desire to tap the huge market potential quickly, management institutes most often ignore the quality aspect. At present quality in higher professional management education is facing numerous challenges which can be attributed to the intense competition at all levels in the delivery of higher management education and also to the increase in the expectation levels among the key stakeholders namely the students, their parents, institute itself, corporates and social environment. Managing expectation of various stakeholders still remains a challenge and a key area of concern. Going by the international trends India will be moving towards an era where accreditation from independent agencies will be mandatory with the introduction of the National Accreditation Regulatory Authority for Higher Educational Institutions Bill. This research paper attempts to present the theoretical framework and concepts involving challenges in managing the key stakeholders' expectations and also the role accreditation process plays in managing the expectations and quality in higher management educational delivery with reference to India.

#### Introduction

Higher education plays a major role in the transformation of an individual and also in the growth and development of the society and economic development of the country as a whole. In India government has been playing a key role in the development and reform of higher management education. In a recently concluded meeting of Vice Chancellors of various Universities, Dr Manmohan Singh said that the focus of the government during the 11th plan on the higher education sector has led the actual enrollment going up from Rs 16.6 crore to 25.9 crore. Even the gross enrollment ratio for higher education in particular went up from 12.3 percent in 2006-2007 to 17.9 percent in 2011-2012 though it was "still much below the world average of 26 percent". He also mentioned that in the 12th Plan the task for next 5 years is on the momentum generated in the last 10 years and continuing the focus on expansion, equity and excellence. The share of education in the total outlay also went up from 6.7% in the 10th plan to 19.4% in the 11th plan. One of the most important factors in higher education is that some of the education programmes offers direct employment benefits and so are mostly widely sought than any other higher education programmes. Management education in India is continuing to evolve in both quality and quantity. Therefore, there is a premium on both quantity (increased access) and quality (relevance and excellence of academic programmes offered) of higher education. In recent years quantity has outpaced quality as result of which quality standard in management education has to be relooked at. At present there are around 4,000 B-Schools across the country approved by AICTE.Of these only 15 B schools are NAAC accredited. Accreditation scenario

## Keywords

Quality, Quality Gaps, Accreditation, Quality Standards, Stakeholders in India at present is going to see a turnaround after the passing of the National Accreditation Regulatory Authority for Higher Educational Institutions Bill, which makes Accreditation mandatory from independent agencies for both institute and course accreditations within 3 years. With compulsory accreditations regime we might see changes in the quality of the management education institutes. Still there will be challenges since accreditation agency will find it difficult to manage the huge flow of applications from management and other higher education institutions. Till now accreditations in India was not mandatory and only a voluntary institutional exercise which most institutes did not preferred less realizing its value and importance. Even accreditations

can influence and impact the various stakeholders who play a major role in the quality framework of the management education.

# Role of Stakeholders in higher management education

Stakeholders in higher management education play a pivotal role in the quality and delivery of management education. Most of these stakeholders are directly or indirectly related in the delivery function of the management education. Major stakeholders are shown in the figure below. The factors listed below have been compiled from various research articles.

#### **Key Stakeholders**

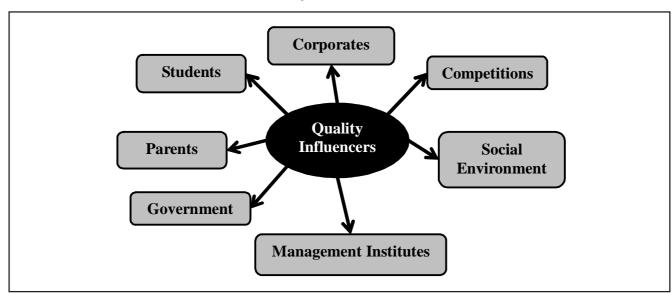


Figure 1: Key stakeholders who influence the quality in higher management education

#### Corporates

Corporates are the end users who actually recruit and employ the students from management education to their organisation. Since customers are always the king so are the corporates who are the major stakeholders. One of the growing concern among the corporates is they feel that there has been falling standards in quality of employable students. These institutes were producing graduates in subjects that the job market no longer required. Even there exists a significant gap between the expectations of corporates, students and the institutes. In order to manage the gap, AICTE has come out with programmes to have frequent interactions between corporates and institutes and most common being to set up an Industry-Institute partnership cell. The aim of such tie ups is to understand the expectations and need of the corporates and to deliver as per their expectations. Even another area of concern from the corporates is most of the educational institutes particularly the universities have not been upgrading the curriculum keeping in view the changing industry scenario.

#### Competition

With the mushrooming of the B schools in India, the quality of management education is trending downward. Most of the institutes which operate B schools are in the business to make money and profit and most feel it is a money making business. As a result orientation towards quality is severely lacking. Competition also can play a favorable role by increasing the quality standard of the institutes.

### **Management Institutes**

Institutes themselves are the key stakeholders since they are directly responsible in increasing the quality standards. Management vision and mission toward quality usually decides the quality focus. Institutes play a key role in education delivery and in turn are directly responsible for managing the quality. Physical infrastructure, faculty, course curriculum, placements are some of the key factor which have been influencing the quality angle. Any critical deficiencies in the above key factors have a direct impact on the quality. As a result of which most accreditation agencies rate the institute and the course offered by them.

**Students** 

Students play a role as a consumer for the educational institute and play a customer for corporates. Essentially in an input output systems, quality input of students leads to quality output. For that reason most of the good institutes screen students through a multiple level of screening criteria to select the final students.

#### **Parents**

Parents don't play a direct role but usually they decide the joining preference at the initial screening of the institutes. Once the parent finally decides on the institute they have fewer roles to play. But parent's perception about the institute is vital. This is where the quality of the institutes serves as a basic input for decision making in arriving at the final institute for management education.

#### Government

Government has been playing a lead role in deciding the rules and regulations which affect higher education. Most of these regulations have a direct impact. The recent introduction of the National Accreditation Regulatory Authority for Higher Educational Institutions Bill is one step towards education reforms in higher education.

#### **Social Environment**

It is expected that social environment will play a leading role in deciding the ultimate quality of the institutes. Higher management education has a role to play in influencing the social surrounding. While for corporates social responsibility takes the form of corporate social responsibility, in education it is called Educational Social Responsibility or ESR. ESR is a new emerging concept where higher education institutes involve in social responsibility functions which impact the society.

#### **Management Accreditation**

Accreditations are not new and this even existed 100 years ago when Association to Advance Collegiate Schools of Business (AACSB) first drew up criteria to assess business training proficiency. Accreditation agencies are the agencies or institutes set up to evaluate and certify quality management institutes. These institutes play a lead role in certifying the higher education institutes as per acceptable and defined quality standards. As per NAAC, "Assessment and Accreditation is broadly used for understanding the 'Quality Status' of an institution. In the context of Higher Education, the accreditation status indicates that the particular Higher Educational Institution (HEI) – a College, a University, or any other recognized Unit therein, meets the standards of quality as set by the Accreditation Agency, in terms of its performance, related to the educational processes and outcomes, covering the curriculum, teaching-learning, evaluation, faculty, research, infrastructure, learning resources, organisation, governance, financial well-being

and student services". Given below are global top most accrediting agencies and a brief about these institutes:

#### International

- Association to Advance Collegiate Schools of Business (AACSB): Based in Tampa, USA is the oldest and most respected international accreditation which started in 1919. Actually founded in 1916 and began its accreditation function three years later with the adoption of the first standards. Additional standards for programs in accountancy were adopted in 1980. The strength of AACSB lies inits adaptability to changing times and its ability to come up with matching standards and metrics to gauge the quality of B-schools. Its accreditation is for institutions.
- EQUIS (European Quality System) of European Federation for Management Development (EFMD): EQUIS accredited institutes must demonstrate not only high general quality in all dimensions of their activities, but also a high degree of internationalization. The agency looks for a balance between high academic quality and the professional relevance provided by close interaction with the corporate world. A strong interface with the world of business is, therefore, as much a requirement as a strong research potential.
- Association of MBAs, UK: The Association of MBAs is a London based international accreditation agency specialized in Programme accreditation and it comprises over 9000 MBA students, graduates, accredited business schools and corporate as its members. The school accredits MBA, DBA and MBM programmes in the business schools. While the MBA accreditation is available for programmes where work experience of students average should be around five to ten years' while the Master of Business Management programme has no such condition.
- ACBSP, USA: The Accreditation Council for Business Schools and Programs. Formerly known as Association of Collegiate Business Schools and Programs (ACBSP) is the leading specialized accreditation association for business education supporting, celebrating and rewarding teaching excellence since 1988. Located in Kansas City ACBSP has been an active player around the world. It is the second agency to be recognized by Council for Higher Education Accreditation (CHEA), the apex regulatory advisory body of USA to

be recognized as an international accreditation agency.

IACBE, USA: The International Assembly for Collegiate Business Education (IACBE) is a premier professional accrediting organization for business programs in student-centered colleges and universities throughout the world. It was founded in 1997 in Kansas City. The IACBE accredits business programs that lead to degrees at the associate, bachelor's, master's, and doctoral levels in institutions of higher education worldwide that grant bachelor's and/or graduate degrees. The IACBE does not accredit business programs of institutions of higher education that offer only associate degrees in business (or predegree) courses.

# Regional (SAQS):

Association of Management Development Institutions in South Asia (AMDISA), a not for profit association, based at Hyderabad launched the accreditation system for Business Schools called "South Asian Quality Assurance System" with acronym as SAQS. It is involved in the system of quality assessment, improvement, and accreditation of higher education institutions management and business administration.

#### India

- NAAC: The National Assessment And Accreditation Council (NAAC) is an autonomous body established by the University Grants Commission (UGC) of India to assess and accredit institutions of higher education in the country. It was set up on recommendations of the National Policy in Education (1986) which laid special emphasis on upholding the quality of higher education in India and it became functional from the year 1994. NAAC accredits programmes and not institutions and it is not exclusive to B-schools.
- National Board of Accreditation (NBA):NBA is a registered independent autonomous Society under the aegis of All India Council of Technical Education (AICTE) the quality regulation arm of Human Resources and **Higher Education Ministry of Government** of India. NBA is entrusted with the task of developing and maintaining high quality assessment and accreditation of programmes in the field of professional higher education which included, Technology, Management, Pharmacy, Architecture, Media and Bio-technology.

NBA is dedicated to building a technical education system, as vendors of human resources, which will match the national goals of growth by competence, contributions to economy through competitiveness and compatibility to societal development. It is to provide the Quality bench marks targeted at Global and National Stockpile of human capital in all fields of technical education.

#### India moving towards compulsory accreditation

Of late accreditations have become necessary, which was considered merely optional a few years ago. The seriousness of the quality gap can be judged by the fact that none of the Indian universities figure among the top 200 in the world. India although has many reputed global B schools but till date only a few have been able to maintain their quality standards and have got themselves accredited. For example International Management Institute, Delhi, recently got the AMBA accreditation, ISB and TA Pai Management Institute (TAPMI), Manipal are accredited from AACSB International based in Tampa USA, the oldest and most respected international accreditation. Increasing the standards in higher education was felt long back both by the government and non-government bodies who were strongly in favor of compulsory accreditation. Speaking at a recent conference of Vice Chancellors, Prime Minister Dr. Manmohan Singh stressed on the need to introduce flexibility in educational institutes to enable them to attract good faculty, raise teaching standards and encourage cutting edge research and nurture talent. PM also said that too many of them have simply not kept abreast with the rapid changes that have taken place in the world in recent years and were producing graduates in subjects that the job market no longer required. One of the most important statement he made was steps were needed to bring about reforms with the aim of enhancing quality in higher education. In line with this statement is the introduction of the National Accreditation Regulatory Authority for Higher Educational Institutions Bill in Parliament recently. As per this bill accreditation from independent agencies will become mandatory for all universities and colleges. Along with institute accreditations, academic programmes offered in colleges and varsities, including deemed universities, will be evaluated through a uniform countrywide methodology. At present National Board of Accreditation (NBA) is doing the course-based accreditation only for technical programmes. At present one third of the 400+ universities and approx. one fifth of the 20.000 colleges are accredited by the National Assessment and Accreditation Council (NAAC). The above scenario will change with the passing of Higher Educational Institutions Bill in the parliament.

Many institutes have already started the process of getting accreditations and most of these B schools have gone for International accreditations rather than Indian accreditations. Indian B-schools are opting for three kinds of global accreditations—the British-promoted Association of MBAs (AMBA), the European Quality

Improvement System (EQUIS) and the American AACSB (Association to Advance Collegiate Schools of Business) and the regional SAQS. There lies in the accreditation process. For ex. AMBA is given to courses and programmes, the other two take into account the overall aspect of a school, including infrastructure, governance and coursework. The same trend can also be seen in Indian accreditation agency whereby NAAC accredits programmes and not institutions and it is not exclusive to B-schools while NBA accredits technical educational institutes. The above difference in the accreditations gives insights to which quality agency need to be approached for the accreditation of B schools and other higher centers of learning. So far International accreditations have been preferred by most of the top most institutes of India who feel that international accreditation will improve their brands and pedagogy, fuel exchange programmes and increase international relations. Supporting evidence to this is the rising number of applications received from the Indian management institutes at leading global accreditation agency AACSB, AMBA and EQUIS.

It is expected that after the passing of the bill which will mandate compulsory accreditations number of applications will increase at NAAC and NBA. What needs to be seen is if NAAC and NBA can manage the huge applications request since there will be a 3 year time frame to get accredited with the available resources in place.

# Managing stakeholder expectation through accreditation

Managing stakeholder through accreditations can be a challenging task. Some of the most important stakeholders are the corporates, students and the institutes. Any expectation and service delivery gap can lead to low quality of education delivery. Accreditations help to judge the institutes and their course curriculum against pre-defined standards. Most of the time it is observed that expectations gap is due to the lack of predefined standard which can be seen and measured. Most institutes which are not accredited fall far short of these leading to serious expectations and delivery gap leading to fall in the quality standards. But accreditations have their own limitations. Most of the accreditations which are offered are for the institute and the course which may not cover all stakeholders in the education system. Even the sub parameters based on which they are evaluated varies from one accrediting agency to another. So there is a need for an accrediting agency which can cover maximum stakeholders, improving the expectations gap. While accreditations play a significant role in quality development, it is also equally important that institutes have a quality focus orientation both in initiating and maintaining the quality standards set forth by the institute and accrediting agency.

#### The future ahead

Currently higher education systems in India are undergoing a major transformation. Maximum focus in this transformation is focused towards quality education.

Management education in India which also falls under higher education is also following a similar trend. With steep competition in management education, quality is one of the most important factors which can make an institute stand apart. Quality delivery in educational institutes is influenced by several key stakeholders like the institutes, students, corporate and government. It is expected that the quality outcomes will be influenced by the above stakeholders, so an ideal scenario is to manage the expectations of most of the above key stakeholders. Institutes themselves need to play a crucial role in becoming aware in quality delivery of education. India will be slowly moving towards compulsory accreditations with the passage of National Accreditation Regulatory Authority for Higher Educational Institutions Bill in the parliament. This will make accreditation mandatory in higher education which was earlier only a voluntary institutional exercise. Another area of concern is the student's employability which needs strong focus. This area can only be improved through frequent interactions with the corporates which will help the institutes in being aware of the latest trend in the corporate world and also preparing the students to match corporate expectations better. With a serious demand and supply mismatch where most the institutes are unable to match the quality and competition, some of the institutes have applied for shutdown to AICTE, while many more are waiting for situation to improve else they may also meet the same fate. While accreditations play a key role in enhancing the quality standards and managing the expectations of key stakeholders, it still needs to cover maximum stakeholders influencing the quality delivery of management education.

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