



Indian Institute of Management Calcutta
Working Paper Series

WPS No. 820/January, 2019

**Recruiters' perceptions about MBA graduates and
management education at top tier management
institutes in Indian context**

Amit Dhiman*

Professor, IIM Calcutta

Megha Sharma

Associate Professor, IIM Calcutta

(* Corresponding Author)

Indian Institute of Management Calcutta

Joka, D.H. Road

Kolkata 700104

URL: <http://facultylive.iimcal.ac.in/workingpapers>

Recruiters' perceptions about MBA graduates and management education at top tier management institutes in Indian context

Amit Dhiman*

(Corresponding Author)

Professor, IIM Calcutta

Megha Sharma

Associate Professor, IIM Calcutta

Abstract

The study investigates the recruiters' perceptions about the quality of management education in India and the quality of management graduates they hire from top TIER management institutes in India. The study deploys a mixed method approach using a survey questionnaire to get responses from a broader set of recruiters who are regulars at top four management institutes in India. It uses in-depth semi structured interviews approach to understand and interpret the views held by very senior executives in organizations hiring management graduates from the institutes. The methods help to triangulate the findings. The similar and distinct findings compared to the extant literature on the subject are put in the right perspective of context of management education in India, its evolution and its contemporary state.

Keywords: Management Education, MBA, Recruiters

**RECRUITERS' PERCEPTIONS ABOUT MBA GRADUATES AND MANAGEMENT EDUCATION AT TOP TIER
MANAGEMENT INSTITUTES IN INDIAN CONTEXT^{1,2}**

Amit Dhiman³, IIM Calcutta

Megha Sharma, IIM Calcutta

Abstract

The study investigates the recruiter's perceptions about the quality of management education in India and the quality of management graduates they hire from top TIER management institutes in India. The study deploys a mixed method approach using a survey questionnaire to get responses from a broader set of recruiters who are regulars at top four management institutes in India. It uses in-depth semi structured interviews approach to understand and interpret the views held by very senior executives in organizations hiring management graduates from the institutes. The methods help to triangulate the findings. The similar and distinct findings compared to the extant literature on the subject are put in the right perspective of context of management education in India, its evolution and its contemporary state.

¹ The findings of this study were presented in a conference titled "Management Education: The Road Ahead" organized at IIM Ahmedabad during July 22-23, 2011.

² The authors are thankful to IIM Calcutta for funding this research.

³ Corresponding author amitdhiman@iimcal.ac.in

1.0 Introduction

In recent times, commentators belonging to both academia (Bennis and O'Toole, 2005; Pfeffer and Fong, 2002; Babu & Thakur, 2017) and management practice (Kane, 1993; Levenburg, 1996; Neelankavil, 1994) have expressed their concern with the state of Management education. The financial crisis of 2008 and frequent scandals in the corporate world across globe, including India, raise questions about the focus of business education. The debate about bringing changes in the business education has intensified and some of the work in American context is reflected in few cases and books (Datar, Garvin, & Cullen, 2010; Khurana, 2007). Specifically, Datar et al. (2010) have found that business education and hence management graduates do not seem to meet eight contemporary core needs of the corporate. These include competencies of "leadership", "creativity and innovation", "oral and written communication" "global orientation", "integrative thinking", sensitivity to "organizational realities", understanding of "role and responsibility of business in society", understanding of "social and economic rationale behind regulatory restrictions", and "management of risks post financial crisis" of 2008.

In the Indian context, few authors (e.g., Bhattacharya, 2010; Babu & Thakur, 2017; Jammulamadaka, 2017; Sinha, 2017; Varman et al., 2011) have provided critical appraisal of the current state of management education. These papers have lamented that the current management education in India is influenced disproportionately by western centricity and has ignored and failed to incorporate the indigenous business philosophy and practices (e.g., Jammulamadaka, 2017). Then there is a worrying trend of increasing 'marketisation' of the management education (Molesworth et. al., 2009; Varman et. al., 2011) that has led to skewed expectations of the students- away from learning and more towards the jobs and salaries. While these studies have made an important contribution to the debate by identifying critical aspects currently left unaddressed by the management education, surprisingly there is no study addressing the concerns of the main consumers of the management education products- the recruiters. Being the primary recipients of the product of top tier management schools, their views are critical in shaping changes that may be needed in management education in India. Elsewhere in western context, recruiters have expressed their dissatisfaction with the preparedness of fresh MBA graduates for managerial jobs, at least in certain areas like "soft skills" (Shuoyato & Borchers, 2001), Leadership and initiative (Bennet, 2002).

Given our distinctive educational set up, unique and complex social mores, fast growing economy, emergence of Indian MNC's, and increasing presence of global MNCs, we need to understand what recruiters are expecting from MBA graduates and management education. A study conducted by industry body Associated Chambers of Commerce and Industry of India (ASSOCHAM) in 2016 reported that, excluding graduates from top twenty management

institutes, only 7% of MBA graduates coming out of the management institutes in the country are found to be employable by the recruiters. The problems in the schools below top tier are well documented and constitutes of lack of proper infrastructure, severe shortage of quality management faculty, and poor quality of academic processes. While few studies have investigated challenges in such schools, it has also been frequently reported in the popular press that the graduates of top tier management schools do not face any problems of the job placements. However, it has not been investigated whether these graduates also fulfill the demands of the recruiters once they are deployed on the job. Our study focuses on understanding the recruiter's expectations and their perceptions about the products provided to them by the top tier management institutes in India. Specifically, it examines the contemporary demands of corporate recruiters from the management education and the management graduates. It also explores their perceptions about the adequacy of Indian management institutes in catering to these demands. Lastly the study explores the views held by the recruiters in filling up the gaps between recruiters' requirements and supply.

2.0 Management Education in India – Evolution of Indian Institute of Management (IIM)

Management education in India has come a long way since the time of inception of two Indian Institute of Management (IIMs) at Ahmedabad and Kolkata in 1961 supported by Ford foundation. A few management institutes in private sector like Xavier Labour Research Institute (XLRI) and Indian Institute of Social Welfare and Business Management (IISWBM) predate IIMs; however the management education got real impetus only with the establishment of IIMs by the central government as public institutions. The birth of the two IIMs was midwived by prominent American management institutes – Harvard and MIT Sloan respectively for IIM Ahmedabad and IIM Calcutta. This mentoring left a lasting imprint on the architecture of the two management programmes with case based pedagogy adopted by the former and more quantitative approach enshrined in the latter, true to the pedagogical traditions at their respective mentors. Subsequently, IIMs and management academics in India faced criticism of uncritically aping the western centric knowledge and not indulging in research enough to generate country specific management knowledge base. However, Srinivas (2008) argued that 'mimicry' in the period 1959- 1974 in management education was followed by partial 'revival' of indigenous knowledge during 1975-1990 with exemplary efforts such as the human values project at IIM Calcutta or explication of Nurturant- Paternalistic (NP) style of leadership followed by Indian managers (Sinha, 1980). D'Mello (1999) was critical of either extremes of neo-colonial mimicry or revivalist attempts that were unscientific, instead of following a balanced approach that married relevance with rigour (Bennis & Toole, 2005).

IIMs were set up as stand- alone institutes and were bestowed with academic and administrative autonomy to provide them the space and flexibility to be successful. IIMs were

originally mandated to disseminate management knowledge to Indian managers and train them so that they can lead from the forefronts the development charge in the economic, social, and administrative spheres of the young nation. Along the way IIMs morphed from being management schools with a broader developmental agenda of nation building to mere business schools with much narrower goal of catering primarily to the for-profit corporate organizations (Sinha, 2017). The pivot of such transformation was the career preference of the students that IIMs admitted through a narrow funnel of competitive tests, starting from joint entrance examination (JEE) for engineering institutions that dovetailed to common admission test (CAT) for IIMs, with engineers forming majority who got selected (Babu & Thakur, 2017). The career preferences were shaped by access to highly lucrative careers such as consulting, investment banking in global corporations that landed in India post structural reforms and opening of Indian economy in 1992. Management education boomed alongwith reforms with exponential growth in the number of new management schools throughout the country, many of which could not provide quality education, but became opportunistic 'teaching shops' minting money (Sinha, 2017). At the other end of quality spectrum, the critics increasingly derided the evolving elitist character that IIMs seem to have assumed, if not by the intent of the agency but by the sheer force of contextual factors that changed the narrative of management education post liberalization. The global integration of the economy brought in transnational corporations (TNC) alongwith the neo-liberal discourse in its wake. The privileged model of commercial organizations shifted from state led public sector to native entrepreneurs, family run businesses, and TNC led private sector. The competitive market forces or as the critics would say the hegemonic project of neo-liberal discourse, pushed the domestic players also to adopt global practices becoming in the process hybrid entities if not complete clones of the TNCs. In wake of the changing landscape in the industrial space, the management education space could not have remained immune and today IIMs attempt to compete globally (*see Ojha, 2017 for critical commentary on global accreditation wave thronging Indian B-schools*), while global management institutions are trying to get a foothold in Indian management education space (Babu & Thakur, 2017).

Apropos above developments, today best of the domestic for-profit organizations, TNCs in their own right with management practices if not business philosophies similar to global MNCs, jostle with TNCs for hiring talented management graduates at IIMs. Being at the forefront of MBA education in India, the older established IIMs like in Ahmedabad, Kolkata and Bengaluru have become the battleground for management talent for the global and domestic business organizations. Therefore the relevance of what is delivered in top tier Indian M-schools is not only what is idiosyncratic to us referred to historically, but also what is contemporaneous that challenges these institutes. Despite the criticism top tier management institutes, particularly IIMs being public institutions have faced, these institutions have provided platform to a set of young and bright students in building up a promising career

fulfilling their aspirations. These institutions have also prepared and provided top notch management talent to both domestic and global organizations that serves directly and indirectly some of the nation's interests. It is also true that top tier IIMs have failed to prepare and provide management talent to other sectors such as education, healthcare, and public institutions, as originally mandated. IIMs and other top management institutes followed the 'American model' focused on functional areas of management science and added a couple of courses on Indian social structure or business history as 'add-on' catering to the contextual understanding, but grossly inadequate to achieve that end (Sinha, 2017). However, in eighteen months of course work any management institute has to make a choice as to what it would focus on. That way older IIMs have lost their way and they appear all similar with 'everything-to-everybody' model with overload of teaching, unlike even compared to their mentor institutes in US who have maintained their distinctiveness and specialization till date (Bhattacharya, 2010). With nineteen IIMs established now, it can be one model newer institutions can follow by focusing on certain areas catering to different constituencies and address some of the criticism these institutions have faced.

Therefore in this paper we argue that top tier IIMs (*the ABC trinity typically*) may still be serving one constituency well, that is of business organizations in certain sectors, if not by agency choice but by sheer structural compulsions. And if it is true that the attempts to alter this mandate will be too disruptive to handle for these institutions now, it might be prudent to allow them the space to continue with the current model, but push them to do it still better. In that direction, in this study we have investigated the attributes/ competencies recruiter's desire in MBA graduates, their perceptions about efficacy of current management education in top tier institutes to develop these competencies, and their suggestions to bridge the gaps. While recruiter's view is only a partial view, it is a critical view to consider representing the perspective of the important constituency IIMs are catering to. This perspective has not been explored in extant studies on the subject, atleast in the Indian context and thus this study makes an important contribution to the raging debate on relevance of management education.

3.0 Research Methodology

The study adopted an exploratory descriptive approach using a mix of interviews and survey based data collection methods. The questionnaire based survey was used to gather data from wider range of recruiters. Our respondent population for survey consisted of HR Professionals and Line Managers who were part of the hiring team of an organization that hires graduates from a top tier Indian Institutes of Management through campus recruitment process. Interviews were used to gain deeper insights which may not be captured by the survey.

The interviews had a semi-structured format. The schedule had questions equivalent to those that were included in the questionnaire survey. The questionnaire and the interview

schedule had equivalent questions on the following main constructs of interest- value of MBA graduates for business, substitutes to MBA graduates, key competencies in management graduates organizations look for, competencies the management graduates are strong in, competencies the management graduates lack, and role of management institutes from the recruiter's perspective. The survey respondents were asked to rank top five competencies they look for in management graduates out of a list of 20 competencies. List of 20 competencies were generated by asking few recruiters who visited one of the top tier management campuses for placements. A few addition, deletions and modifications were made to this list by reviewing the relevant literature discussing desired competencies in management graduates (e.g., Neelankavil, 1994; Shoyato & Borchers, 2001; Bennet, 2002; Datar et. al., 2010;). The relevant portions of the interview schedule and questionnaire are provided in appendix. The interviews allowed for further exploration on each of these issues and subsequent themes that emerged during the interviews. Further the two set of data helped us to triangulate the results and inferences. The interviews were conducted in stages with every two to three interviews interspersed by data analysis, coding, and understanding of the emerging themes (Charmaz, 2006). The Further interviews were informed by the emerging themes. We continued to interview recruiters till we arrived at 'theoretical saturation' and no new theoretical category seemed to be emerging (Corbin & Strauss, 1990).

The sample for survey and interviews was organizations that recruit from the top four management institutes in India for management education - Indian Institute of Management (IIM) Ahmedabad, IIM Bangalore, IIM Calcutta, and Indian School of Business (ISB) [*Respective annual placement reports of respective institutes*]. These institutes also attract almost same set of most preferred organizations for management graduates. A purposive sampling plan was adopted for in- depth interviews with the aim to get views from varied sectors and also where we could access very senior executives involved in campus recruitment for many years in the above mentioned management institutions. We interviewed ten senior executives as listed in table 1. For survey we approached HR Professionals and Line Managers involved in campus hiring from the four institutions, excluding those from the ten organizations represented in the interviews. Using data for year 2011 accessed from placement cell of one of the IIMs considered in the study, we identified 69 such firms who had hired from all or from atleast one of the four institutes. The survey questionnaire was sent to all sixty nine organizations and we received usable response from seventeen of them representing a response rate of almost 25%. Out of seventeen responses, eight were senior executives in human resource management function and nine from line managers involved in campus recruitment. The pie chart in figure 1 represents the industrywise distribution of the firms participating in the study. The study being exploratory in nature the analysis of survey data was descriptive in nature.

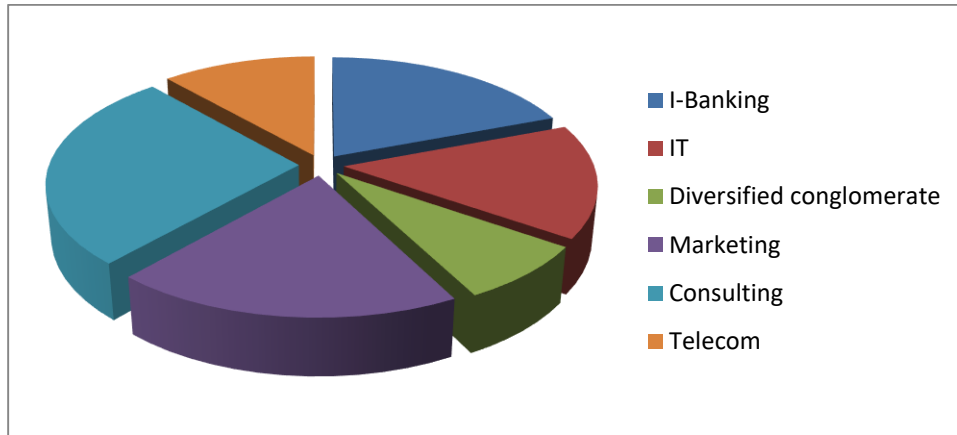


Figure 1: Sectorwise distribution of the participating firms (Survey and Interview)

S. No.	Interviewee's Profile	Organization's Profile
1.	DGM, in Retail business in India	Indian Family owned Indian multinational conglomerate among first five largest groups in India.
2.	Partner and VP in India	Transnational General Management Consultancy firm among big five globally
3.	Managing Director in India	Transnational General Management Consultancy firm among big five globally
4.	Head, Business Development in India	Transnational Pharmaceutical organization among biggest five globally
5.	Director in India	Transnational General Management Consultancy firm among big five globally
6.	Managing Director	Transnational Telecom major based out of Europe with significant presence in India
7.	Director, Human Resources in India	Transnational audit and general management consultancy firm among the big four audit firms globally
8.	Managing Director in India	Transnational FMCG major headquartered at USA and with significant presence in India
9.	Associate Director in India	Transnational FMCG major headquartered at USA and with significant presence in India

10.	Founder, Chairman & CEO, Indian IT company	Indian IT product and services company founded in 1983
-----	---	--

Table 1: Interviewees' Profile

4.0 Results and Discussions

4.1 Perceived value of MBA recruits from top Tier

The respondents of the interviews felt that there is significant value addition they get from hiring management graduates from top tier institutes like top tier IIMs. They associate this value with various processes of admission, course content, and learning environment that they are assured exist in these institutes.

The respondents strongly believe that the rigorous and competitive selection process ensures that the crème of the talent aspiring for management education gets in these institutions. The funnelling of the best brains in the country into the management institutes is a well understood and documented (Babu & Thakur, 2017) phenomenon in the Indian context. It starts from a preference for technical/engineering careers among many of the brightest young children from their school days, with parental and societal expectations playing a significant role in shaping their choices. A schooling system that is skewed favourably towards educational processes preparing students for instrumental vocational careers rather than imparting a broader but balanced vocational cum liberal education, has not helped in broadening the career choices either. These choices are reflected in the number of high secondary school graduates who appear for the competitive entrance tests for engineering streams. In the year 2017 almost 12 lacs candidates appeared in the Joint entrance exam (JEE) for about 35000 seats available in best of the engineering institutes (IITs and NITs) in India. This has been the largest cohort of candidates in India appearing for admission in any one stream post high secondary schooling for years now. After a set of bright students get into best of engineering institutes like IITs, many of them start aspiring for management education at the post graduate levels after their engineering studies, partly driven by more lucrative careers it offers to many of them, and partly because of the disenchantment with the engineering education among some of the students once they start experiencing it. Again another very narrow funnel in form of Common Admission Test (CAT) awaits them wherein now almost two lakh candidates compete for 2500 odd seats in the top five management institutes (including top tier IIMs) in the country. It is pertinent to note that only candidates with 99.6 and above percentile scores are called for the admission interviews in top three to four IIMs post CAT. The two funnels are interrelated because one leads to the other with as much as 85-95% of the MBA class in the top tier management institutes constituting of engineers. However, it sends a very strong signal to

the recruiters that this multistage screening has ensured a high quality, though less diverse, pool of candidates on offer. It is reflected in the following comment:

“sifting system through which elite Institutes like the IITs and IIMs get their students provides a better talent pool for recruiters’

The second source of value that the recruiters associate with the products of the top tier IIMs is the high quality of inputs that these institutes are able to impart to these students. The recruiters in the study agree that these students are good at the basic knowledge of varied management disciplines and management functions as reflected in the following comment:

“These candidates are decent with basic concepts”

Since inception, the main mandate of the Indian Institute of Management (IIMs) has always been to be the institutes of teaching excellence first, apart from gaining excellence in research, with the latter assuming far greater importance relatively in the last decade or so. There has been a lot of stress on evolving relevant curriculums and creative pedagogies to impart high quality and relevant management education. That the IIMs have been able to achieve that objective, albeit more from the perspective of commercial private sector organisations, has been noted by the past review committee reports, the latest being the Bharghava committee report published in year 2008. Of course there has been criticism of the relevance and benefit of the education for non-commercial, non-private sectors, such as social, government, and public sectors (Sinha, 2017).

The assurance of high quality of talent pools is not only the result of rigorous academic inputs but also the peer learning both inside and outside the classroom as reflected in the following statement:

“...rigour and value add of B-school education and culture including learning from peers...”

The recruiters believe that hiring from the top tier institutes benefits the organizations in the long run and results in superior business outcomes.

“Source of Future leadership pipeline.”

“..annual customer satisfaction survey (CSS) scores have been on the ascendant partly because of the B-school graduates...”

The interviewees also justified hiring from the top tier by claiming that for limited vacancies, companies invest their hiring resources only on top tier. There is higher assurance of student quality and potential success. Regular hiring develops good relations with the top tier

and helps to maintain student preference for the organization. The quality assurance that comes with hiring from top tier is captured succinctly by the following remark,

“Quality difference between slots 1 and 2 is significant.”

4.2 MBA versus Non –MBA value difference

The interviewees expressed their clear preference for MBA graduates over non- MBAs for management roles. They claimed that in better managed organizations only miniscule proportion of management roles are held by non –management graduates. For specialist roles, organizations hire Phds, law graduates, statisticians, and engineers. The interviewees did admit that non MBAs may bring in greater diversity and deep domain specific experience and expertise. Many organizations considered in the study hire non- MBAs in the backend roles such as analysts. However, in many such cases organizations pay the non-MBA graduates lesser than their MBA counterparts indicating lower value they place on their overall human capital. One interviewee even claimed that even when the organizations pay non-MBAs similar salaries and hire them at same level as MBAs,

“.....MBAs tend to rise faster in their careers based on their performance....”

4.3 Competencies that Recruiters look for- Criticality of Soft over Hard Competencies?

The survey data and the interviews provided close concurrence on what general competencies recruiters expect from the management graduates from the top tier management institutes. Table 2 provides data on percentage of times respondents mentioned a specific competency in their list of top five competencies they desire in the management graduates.

Competency	% age of times mentioned in top 5 desired competencies
Analytical & Problem solving	76%
Learning attitude	76%
Leadership	53%
Team working	53%
Oral communication	41%
Functional Knowledge	29%

Holistic Perspective	23%
Adaptability to change	17%
Ethical behaviour	17%

Table 2: Top five desired competencies in management graduates (survey data)

As is evident, recruiter's value 'soft' competencies as much as 'hard' competencies, if not more. The surprising finding is that softer competencies such as learning attitude, team working, oral communication, and leadership appear far more frequently than functional knowledge in the top five critical competencies in the survey. It is possible that students are expected to be good at functional knowledge in any case and so recruiters may be focusing on the softer aspects during recruitment processes. Analysis of the interviews provided deeper understanding of the various dimensions of the generic competencies listed in table 2.

4.3.1 Problem solving skills - Analysis and Synthesis

The interviewees identified various dimensions of the problem solving competency. The first dimension included capability to analyse information and data. This is also the most frequently cited competency in the survey data as well. The analytical skills are not only needed to process objective and quantitative data but also analyze qualitative information. The desirability of this ability in management function is understandable because of the prevalent bias towards objectifying the problems; focus on measurement and control, and use of objective approximations and proxies in absence of availability of direct information on many variables of interest. For example gross profit on the sales generated by newly trained salespeople was considered a good proxy for measuring effectiveness of a very intense and costly training that they had undergone for eight months in an organization in electronics component distribution industry. This bias is also reflected in the predominance of quantitative subjects and approaches in course curriculums and pedagogies and higher weightage given to the analytical skills even in the entrance examinations such as CAT. So is it any surprise that the students from quantitative domains such as engineering start with an advantage in MBA journey?

The second dimension of problem solving that recruiters identified as important is the ability of management graduates to integrate and interrelate various facets of management problems and solutions. This is critical because most of the challenging management problems have cross- functional and multidimensional attributes. This becomes progressively truer as the management graduates move to senior roles, that they are expected to and groomed for.

Analysis and synthesis are two cognitive processes that need different, if not entirely contradictory, cognitive abilities of differentiation and integration.

4.3.2 Decision Making in VUCA environment

The recruiters also desire the ability in management graduates to internalize and grapple with working in complex, ambiguous, and uncertain situations or VUCA for short. The contemporary business context has increasingly become so and managers are expected to take decisions with half information, combine analysis with judgment, grapple with subjectivity, and take measured risks. This is the nature of decision making context management graduates are expected to face. Thus recruiters also want the management graduates to hone their decision making skills. These skills would demand prowess to combine analytical skills with subjective capability to identify hidden or underlying patterns in the problems and information and capability to identify creative solutions. This is only possible if the management graduates learn *“Problem framing”* and *“Critical thinking skills”*.

4.3.3 Mastery of “Management concepts”- Theory and application

The respondents expect the management graduates to know the subject matter well. But more importantly than just the theoretical mastery of the subject matter, they want the students to be able to apply that knowledge in practice to varied situations. Such expectations are succinctly articulated by the following comment,

“..... 'mastery' in the sense it must go beyond mastering the dictionary definitions or the recitation of textbook examples.... they should be able to identify the pattern of data and understand when to apply these concepts and when not to”.

4.3.4 Communication Skills – Oral ,Written, and Interpersonal

Recruiters identified various dimensions of communication competency that they desire in management graduates. One set included the oral communication with specific interpersonal abilities such as negotiation and persuasion skills particularly identified by many respondents as critical for successful management graduates. They explained that these skills are needed both inside and outside the organizations. Inside managers need these capabilities to work with other departments and achieve their goals. Outside managers need these skills to deal with customers, suppliers and other outside stakeholders and partners to secure organization’s interests. The organizations also want management graduates to be capable of making effective presentations. This skill is also needed both inside and outside the organizations. Lastly the interviewees laid emphasis on need for management graduates to develop the capability to write effectively. This need is also reflected in the curriculum changes and the changes in the admission criteria. All top tier management institutes in India now have

established (few established it in last decade or so) independent communication areas offering courses on written communication analysis and feedback and presentation skills. In the admission processes in last five years or so few management institutes have added a written communication test (beyond CAT) focussed on testing candidate's ability to effectively communicate their thoughts in written words.

4.3.5 Key Leadership Competencies – EQ more critical than IQ

What leadership competence is expected of a young management graduate? Recruiters believe that at the early stage in their management careers, inclination to take initiative and readiness to assume responsibility is especially important as desirable traits of leadership at that level. Other attributes include ability to build relationships and develop social skills including cross cultural sensitivity. This is particularly true about the multinational environments in which some of the management graduates would function. However the attribute of working with others is not only relevant in the global working environment, but is also needed in domestic context of working in rural markets. This leadership attribute of working effectively with diverse set of people both inside and outside the organization is captured well by the following remark from a respondent,

“Working with people.....with lesser IQ than you, people older than you, and underperformers.”

4.3.6 Adaptability - Openness to Learning

Ability to adapt is another capability that recruiters identified as critical desirability among the management graduates. It is related to the VUCA environment that many organizations are grappling with today, as discussed earlier. Specifically, ability to cope with frequent changes is an attribute in management graduates that recruiters cutting across industry lines mentioned. This constitutes of ability to 'let go' the earlier ways of managing and doing, and keenness to learn or learning attitude as the key attitude to possess (refer table1). In fact many organizations, like Infosys, have included 'learnability' as one of the key criterion in selection of college graduates (Hoyt & Rao , 2007).

4.3.7 Ethical behaviour

Ethical behavior represents the zeitgeist sweeping the business world today. The spate of financial scandals such as Enron, Worldcom, Satyam both in global and domestic arena led to widespread criticism of business education that was precipitated by the financial crisis of 2008 (Datar et al., 2011). The financial crisis was attributed partly but majorly to the excessive greed of business executives and the opaque functioning of financial world that made profiteering as its primary motive oblivious of the excessive social costs it may entail in future. The widespread criticism of business education did lead to introspection in business schools (Datar et. al., 2010).

In India management institutes have started including compulsory courses on ‘business ethics’ or ‘values driven management’ courses in their curricula (D’Mello, 1999). There are encouraging examples of institutes like Indian Institute of Management Calcutta establishing a Management center of Human Values (MCHV) as early as year 1998, and the center also comes out with a peer reviewed journal titled as ‘journal of Human Values’. No surprise that respondents of the study expressed ‘Ethics’ as a key attribute they want management graduates to possess (refer table 1). However they also remarked about ethics as an attribute that is “....*must have but difficult to measure...*”

4.4. Job Readiness

This section discusses findings related to recruiter’s perceptions of the readiness of management graduates from top tier for management roles.

4.4.1. Ready with ‘Hard’ skills but lacking in ‘Soft’ skills

The recruiters expressed their satisfaction on certain aspects on which students of top tier management institutes seem to be ready for corporate roles. They also flagged concerns on their degree of readiness on certain critical competencies discussed in the last section. The results of the survey with HR and non HR recruiters are given in table 2 below. On a scale of 5, the most significant result is the highest score of 4 on ethics implying that the management graduates follow ethical behavior in the organizations, atleast in the early part of their management careers. They also scored higher on the ‘hard’ competencies of analytical/problem solving skills and functional knowledge. Relatively the respondents gave the management graduates lower scores (<3.0) on almost all ‘soft’ skills of team working, oral communication, adaptability to change. On important competencies of ‘learnability’ and ability to consider ‘integrative view’ on issues, the scores were just average with need for improvements in these areas.

Desired Competency	Avg Effectiveness rating
Analytical & Problem solving	3.5
Learning attitude	3.2
Leadership	2.9
Team working	2.8
Oral communication	2.8

Functional Knowledge	3.4
Holistic Perspective	3.0
Adaptability to change	2.7
Ethical behaviour	4.0

Table 3: Average ratings of the effectiveness on desired competencies on a scale of 5 (survey data)

Interviews confirmed many of the inferences drawn from the survey data. On the overall employability the views ranged from *“where is the Doubt?...Strong track record”* to *“Hardly Employable”*. Located in between this spectrum of extremes, the interviews yielded pattern of attributes on which management graduates are found to be strong and attributes on which they are found wanting. Following statements from interviews summarize these findings.

“Good on “Hard” skills but poor on “soft” skills.” “High on intelligence quotient but low on emotional quotient.” “Excellent on analytical abilities, but poor integration skills.” “Bring breadth of functional knowledge, but not functional interrelatedness.”

The interviewees pointed out lack of social skills in many management graduates. This makes them vulnerable working with people – team members, customers and so on. They sense that the students lack enough emotional sensitivity – a lack of awareness of self and others. The recruiters also felt that these bright graduates are naïve or plainly clueless in their understanding of the real world working. One remark captures this issue well in the business context of a FMCG major,

“They lack understanding of how rural consumers consume... lack the understanding of grounded lived experiences of communities and organizational working ..”

One aspect that was repetitive in the interviewees account was lack of negotiation and influencing skills in the management graduates. This related to a general lack of social skills discussed above. They also lamented shortcoming in making and delivering effective presentations; captured by the following remark,

“Even if we ask them to make a five slide PPT they cram the slides so much that they miss the whole objective behind the presentation.”

Overall the recruiters are not impressed with the written skills of management graduates.

Lastly, they also pointed out that owing to their inability to take integrative holistic perspective on organizational issues, management graduates also lack in decision making skills when the issues are complex.

4.4.2 Lack of Career Planning and Role Clarity

Another impediment for the management graduates to be job ready is an often found lack of clarity on their career trajectory and understanding of the role expectations. Recruiters believe that it leads to poor career choice decisions. The interviewees ascribed the poor choices mainly to very little or no prior work experience among the students. It is reflected also in the less experienced and less diverse peer group, which otherwise would have helped an individual student to make a better choice based on peer to peer mentoring. Few recruiters also blamed the job placement process followed at top tier management institutions in India. A competitive, hurried, and compressed campus recruitment process is difficult for both recruiter and student. In the presence of intense competition for talent for recruiters and intense competition among students for highly coveted jobs, both sides end up adopting a low risk and conservative approach in making choices. The aim is to find match early in the process as the organizations and the students are stacked in a pecking order of student preference for former and academic performance as surrogate of talent for latter. While many students end up opting for the first early offer that come their way, often higher paying also, sometimes compromising the sectoral or role preferences. Similarly, in absence of enough time to assess students rigorously for job fit, firms end up using grades in MBA programme as a surrogate for talent. The following statements capture recruiter's dissatisfaction on this count,

"Should CGPA be the main criteria for selection?"

"PPO route for hiring [based on 8 weeks of summer internship project] is preferred because it gives us more time for evaluation."

"US model is better – multiple rounds, longer rounds, student gets enough time to decide."

4.5. Role of Management Schools- A fine Balancing act?

While the interviewees were categorical in identifying commonly missing attributes among the management graduates, there were no uniform views that emerged on what role management institutes should play in bridging these gaps. It was so because respondents were aware of the constraints and boundary conditions within which management institutes conduct MBA programmes. First is that within eighteen months, an institute would be able to focus on only select areas of management education and cannot cover all aspects of what recruiters may desire. Closely intertwined with the first is the second aspect of the expertise that the faculty is expected to bring in. A typical academic in a management institute is a Phd trained in the

traditions of research with the mandate of advancing the frontiers of knowledge in their respective areas. Aware of these conditions interviewees spoke about arriving at a right balance between focus on imparting “Knowledge” and “Skill”. It is pertinent to note that many gap areas identified earlier are related to skill issues. However, one CEO of a FMCG major was categorical in saying that,

“B Schools should focus exclusively on Knowledge...and leave the matter of skills for executive trainings conducted by specialist agencies/institutions or in house resources of a company”.

The need for such a balancing act is also echoed in interviewees’ expectations of right balance between integrated holistic learning and specialist/ functional knowledge, former being identified as another weak area. However, the dilemma of this balancing approach is reflected in the following remark,

“Most MBA schools are focusing on holistic learning systems.....resulted in decreased rigor in conceptual knowledge.”

Then they expressed another area of right balance to be achieved - balance between hard and soft skills. However, many also realize the challenge of achieving desired outcomes on soft skills within eighteen months of MBA as epitomized by the following statement,

“Soft skills take much longer to develop and need sustained working.”

4.5.1 Recruiters’ views on Curriculum

Analysis of responses revealed certain dominant themes that recruiters wanted to be addressed in the MBA curriculum. One of the themes that emerged related to the courses covering the emergent and evolving themes relevant for management education. This included emerging online business models, emerging new economies and geographies like Latin America, and emerging focus on entrepreneurship. The second theme related to courses focused on developing Interpersonal skills like influencing skills, and working with people/ teams. Third theme related to specific problem solving skills like integrative abilities, interdisciplinary analysis, and dealing with complexity – specifically problem framing and critical thinking skills. Fourth there were various aspects of communication- written, presentation, negotiation, and persuasion skills. Lastly the respondents felt that the students need to have more field exposure that can enhance their social, cultural, and organizational awareness and relatedness.

4.5.2 Recruiters’ views on Pedagogy

The themes that emerged for pedagogies again represented a need to achieve a fine balance between multiple desirables. A balance between theory and practice is sought to be achieved

through equal emphasis on lectures and case studies. To enhance student's comfort with processing structured and unstructured information, a right balance between quantitative and qualitative problem solving needs to be achieved. In order to bring in more realistic practice perspective in the class rooms, the respondents suggested live project experiences and more frequent visits from practitioners as visiting faculty. On enhancing the social -cultural awareness and relatedness, the respondents suggested first hand experiences and projects in villages and community life. The respondents also suggested that decision making skills can be enhanced by interactions with actual decision makers in live cases and focus on taking decision and defending it in case discussions. They also pointed out to the lack of understanding of certain economies and geographies like Africa and South America. They suggested including case studies on these economies as reflected in the following observation,

"...students need to be exposed to emerging economies in Latin America, Africa apart from West"

4.6 Prior work Experience: one year or two year MBA?

Another area where contrasting views were expressed related to the prior work experience the students need to have. On the positive side, many interviewees believed that experienced students bring in more maturity, more ideas, and a realistic world view. They need far less hand holding and end up making better and more informed career choices. However, some interviewees also felt that experience comes with baggage of past experiences as well. That may result sometimes in cynicism and faulty work attitudes among students. For instance one of the respondents from a consulting major mentioned that

"IT services coding experience is useless for us; they just follow instructions from above"

Past experience is generally considered during recruitment only when recruiters see its relevance for their industry and for the role. One of the respondents, CEO of a FMCG multi-national major, mentioned that

"We hire largely at entry level and functionally, then develop people from within in [our] way of doing things; experience may not be useful and experienced candidates [3-4 years] also join at the entry level".

Another pointed out relevance in terms of similarity of the industry background,

" We see relevance of prior experience for a vertical."

Surprisingly, none of the respondents mentioned the benefits of prior work experience in enhancing the class room learning experience. It may be because they had assumed perspective of a recruiter during the interviews. The divergence on the question of merit of

more experience prior to MBA may also imply that there is space for both kinds of products from recruiter's perspective. It is probably reflected in the sustenance of two year MBA and growth of one year MBA programmes in India in recent years (ref.).

5.0 Conclusion

In the recent years the management education has been criticized in US context for being exclusively focused on narrow commercial values of maximizing profitability and shareholder wealth and ignoring the social costs involved. The commentariat partly attributed the financial meltdown of 2008 to the greed that such a focus bred among business managers (Giacalone & Wargo, 2009). In India the management education has been criticized for being too much western centric as a remnant of colonial influence (Jammulamadaka, 2017) with need to incorporate the indigenous management practices. Others have commented on increasing 'marketisation' of management education affecting the attitudes of students with management education seen by them as instrumental in fetching a lucrative career only (Varman et al., 2011). However, the studies have not looked in Indian context the views of the recruiters who are main consumers of the products of management institutes. This study contributes in understanding their perspective. Overall the recruiters see significant value to their businesses by hiring management graduates from top tier management schools. They identify certain positives of hiring from top tier management institutes such as IIMs- the competitive funneling of top talent through the selection processes, good quality of inputs on the basis of management in the management schools, and excellent analytical skills that students develop. However, they also see a pattern of shortcomings, mainly lesser ability to synthesize and integrate management knowledge and lack of certain soft skills such as communication, team working, presentation and influencing. They also expressed concern about the level of understanding students develop about real world working, atleast about certain important segments in India such as rural consumers. An important theme that emerged from the study relates to the role management institutes should play. With multiple ideals and desirables, the institutes need to arrive at a fine balance between these ideals. Some of the core themes that need such a balancing act include – a balance between hard and soft skills, a balance between analytical and synthesis skills, a balance between knowledge and skills, and a need for an optimal level of prior work experience. This dilemma is reflected in differing views of the respondents with some emphasizing on one aspect over the other. It also suggests that there is space for different formats that management institutes can follow and develop their own niches. The respondents were aware that in a limited period of time in a management programme each management institute has to prioritize on what they can focus on. This phenomenon already seems to be in place as we witness development of courses focused on deep analytical skills alongwith others focused on general management. Another evidence of similar phenomenon is the increasing popularity of one year executive MBA programmes

offered at all top tier institutes which brings in more real world industry experience in the classrooms than two year MBA programmes.

The findings of this study have certain similarities to the findings of more comprehensive study conducted by Datar et al. (2010) in the US business schools under 'Rethinking MBA' project. Specifically, certain shortcomings in softer competencies – leadership and communication are similar. Another similarity relates to shortcoming in ability to interrelate and integrate across functions. Lastly, the need to understand the contextual social and organizational realities is also the shortcomings found in their studies. Our conjecture is that our top M-schools have followed US centric models of management education- including both the content and pedagogies such as case method. Also many TNCs that recruit from IIMs also are the ones based in West and many in USA and so their expectations from graduates are similar, especially when these graduates are hired for global roles. It is imperative thus that further research is carried out to understand the differences in expectations that Indian home grown organizations would have. In the current study we did not find any meaningful differences, possibly because of the global nature of the businesses such as in IT, which many Indian firms included in this study have. However, Indian or transnational, the firms operating in Indian market did expect the students to understand the social reality such as rural markets better. One point of departure from studies like Datar et al.(2010) is the absence of competency 'global mindset' from the set of critical requirements or deficiencies. One explanation could be that many MBA graduate students are hired for India/Asia specific business roles and this competency may not be in 'must have' category. The other could be that Indian students are more adaptable in aligning with the different cultural expectation having grown in such a plural and diverse society. A more nuanced reason could be that in the US centric business world, there is far better understanding of the US business methods among the Indian students than the US students have about the outside world. This is reflected in the following remark: *"...students need to be exposed to emerging economies in Latin America, Africa apart from West"*

The implications of the study for M-schools like IIMs run deep. The schools have to make conscious decision about their vision and strategic direction they need to take related to management education. Being public institutions these institutes cannot ignore the broader mandate that they have. However, it needs to be realized that every institute cannot be clone of the other and do 'everything for everybody' (Bhattacharya, 2010). This study argues that if the top tier management institutes are catering to the needs of management talent of global and domestic MNCs, financial services firms, consulting firms, marketing firms, and technology firms, it may still be considered a strategic choice that serves certain important economic and social interests of the nation. This may not have been the considered choice but a *fait accompli* driven by the structural forces accompanying the discourse of globalization. However, even to

serve this purpose more effectively, these schools have to make changes in the curriculum and pedagogy.

This study has certain limitations. The study focused only on the top tier management institutes and some of the insights may not be applicable or equally important for institutes in lower tiers. Many of the respondents, especially the interviewees, were alumni of the top tier management institutes and may carry a bias in their response. However since the study focused on understanding the recruiter's views from successful senior managers, few of them CEOs, MDs, or founders, it is more likely that they are alumni of top tier management institutes.

REFERENCES

- Babu, R.R., & Thakur, M. (2017). The state of Management Education in India: Trajectories and Pathways. In M. Thakur & R.R. Babu (Eds.), *Management Education in India: Perspectives and Practices*, Springer.
- Bennet, R. (2002). Employers' demand for personal transferable skills in graduates: a content analysis of 100 job advertisements and an associated empirical study. *Journal of Vocational Education and Training*, 54(4): 457-476.
- Bennis, W. G., O'Toole, J. (2005). How business schools lost their way. *Harvard Business Review*, 83: 96–104.
- Bhattacharya, A.(2010). Mismanagement of Indian Management Education. *Economic and Political Weekly*, 24(XLV): 14-17.
- Charmaz, K. (2006). *Constructing Grounded Theory: a practical guide through qualitative analysis*. Sage Publications.
- Corbin, J., & Strauss, A.(1990). Grounded theory research: Procedures, Canons, and evaluative criteria. *Qualitative Sociology*, 13(1): 3-21.
- Datar, S. M., Garvin, D. A., & Cullen, P. G. (2010). *Rethinking the MBA. Business Education at a crossroads*. Harvard Business Press.
- D'Mello, B. (1999). Management Education: A critical appraisal. *Economic and Political Weekly*, November, 27 issue, 169-176.
- Giacalone, R.A, & Wargo, D.T. (2009). The roots of global financial crisis are in our business schools. *Journal of Business Ethics Education*, 6: 147-168.
- Hoyt, D., & Rao, H. (2007). Infosys: Building a talent Engine to Sustain Growth. *Case HR-30, Stanford Graduate School of business*.

Khurana, R (2007). *From Higher Aims to Hired Hands: The Social Transformation of American Business Schools and the Unfulfilled promise of management as a profession*. Princeton, NJ: Princeton University Press.

Pfeffer, J. & Fong, C. (2002). The end of business schools? less success than meets the eye. *Academy of Management Learning and Education*, 1(1): 78–95

Jammulamadaka, N. (2017). A post -colonial critique of Indian’s management education scene. In M. Thakur & R.R. Babu (Eds.), *Management Education in India: Perspectives and Practices*, Springer.

Kane, K. F. (Jan/Feb 1993). “MBAs: A recruiter’s-eye view”. *Business Horizons*, pp. 65-71.

Levenburg, N. (1996). "General management skills: Do practitioners and academic faculty agree on their importance?" *Journal of Education for Business*, 72(1): 47-51.

Molesworth, M., Nixon, E., & Scullion, R. (2009). Having, being and Higher education: the marketisation of the university and the transformation of the student into consumer. *Teaching in Higher Education*, 14(3): 277-287.

Neelankavil, J. P. (1994). "Corporate America's quest for an ideal MBA". *The Journal of Management development*, (20: 38).

Ojha, A. K. (2017). Management Education in India: Avoiding the Simulacra effect. In M. Thakur & R.R. Babu (Eds.), *Management Education in India: Perspectives and Practices*, Springer.

Shoyato, N., & Borchers, A. (2001). Skills preparation in MBA programs: The importance of computer related skills. *AMCIS 2001 Proceedings*, Paper 6.

Sinha, A. (2017). From Management Institutes to Business Schools: An Indian journey. In M. Thakur & R.R. Babu (Eds.), *Management Education in India: Perspectives and Practices*, Springer.

Sinha, J.B.P. (1980). *The nurturant task leader*, New Delhi: Concept Publishing company.

Srinivas, N.(2008). Mimicry and Revival: The transfer and Transformation of Management Knowledge to India, 1959-1990. *International Studies of Management and Organization*, 38(4): 38-57.

Varman,R. , Saha, B., & Skalen, P. (2011). Market Subjectivity and neoliberal governmentality in higher education. *Journal of Marketing management*, 27(11-12): 1163-1185.

PART B

Please fill up separately the part B for your responses to selection of 1 year Executive MBA students and 2 year MBA students if your organization hires in both programs.

Please ✓ the program for which you are answering following Q's: 1 yr Executive MBA 2 yr MBA

Please mention the **role** for which you are answering the following questions _____
(For example, Finance, Marketing, Business development role, consultant role etc).

Please identify from the following list the **five most critical competencies** your organization ideally desires in the MBA student for the role for which your organization frequently hire MBA students from IIM A, B, C, or ISB [only for 1 yr Executive MBA]

1. Functional knowledge
 2. Industry knowledge
 3. Writing skills
 4. Oral communication skills
 5. Persuasion and Influencing skills
 6. Negotiation Skills
 7. Conflict Management
 8. Team working skills
 9. Analytical and Problem solving Skills
 10. Ethical behavior
 11. Social and Environmental sensitivity
 12. Adaptability to change
 13. Learning attitude
 14. Ability to work in Global context
 - a. Cross cultural sensitivity
 - b. Knowledge about regulatory regime in different economies
 15. Entrepreneurial orientation
 16. "Holistic perspective"
(For example ability to work across functions and view business problems as functionally interrelated issues)
 17. Customer Orientation
 18. Information Technology Skills
 19. Project Management
 20. Leadership
 21. Please list any other competence your company looks for critically in the IIM A, B, C, ISB -MBA students which was not covered in the above list
-

Now **please rank order the 5 competencies identified from the above list** (including the ones mentioned separately by you), which are the **most critical competencies that you desire in MBA students** in your organization **for the role** mentioned.

1. _____
2. _____
3. _____
4. _____
5. _____

In your view **how effective are current MBA/PGDM program** in preparing the MBA students' on each of these five competencies? Please rate on the following 4 point scale (√ mark against each competency) (Maintain the same order of competency list as in last Q while answering this Q)

Competency	Totally Ineffective (1)	Ineffective (2)	Effective (3)	Extremely effective (4)
1.				
2.				
3.				
4.				
5.				

What suggestions you would like to give to improve the employability of MBA students in your organization?

Three major reasons why your organization hires MBAs?

In your view what changes should MBA programs make to better meet the demands of industry in future?

Interview Schedule

This Interview pertains to the recruitment of MBA students of following programs

- 1. Two year full time MBA/ PGDM.**
- 2. One year full time Executive MBA for experienced professionals.**

Name of the Organization_____

Three major reasons why your organization hires MBAs?

Do you think that MBA graduates from top MBA institutes (e.g. IIMA, B, C and ISB) are ready to be assigned straight on the job without any initial training in your organization?

If No, Why do you think so?

If No, do you have some form of initial training on specific areas of Knowledge (K), Skill (S), Attitude(A) before they are put on the job?

Does your organization also visits other MBA institutes apart from top institutes (e.g. IIMA, B, C and ISB) to recruit MBA students?

Are the students from these institutes hired for same level / roles as from IIMA, B, C, and ISB? Please specify roles if these are distinct

Do you also hire undergraduate/ graduate students (economics, engineering, commerce streams) and post –graduate students (CA's) for management roles in your organization?

Are the students from these institutes hired for same level / roles as from management institutes? Please specify roles if these are distinct?

How effective is the MBA/PGDM program in preparing the MBA students' for roles in your organization?

What suggestions would you like to give to improve the employability of MBA students in your organization?

As a senior professional do you think there are better substitutes to Management graduates? Please specify?

In your view what changes should be made in MBA programs in India to better meet the demands of industry in future?

ⁱ The authors are thankful to IIM Calcutta for funding this research.