

COLUMN

Recognising India's abilities

To become a superpower in the field, India needs to change



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American and European business schools look at India with increasing interest and fascination. Indeed, India's economic growth in the past decade has heightened the need to develop talented business professionals with an international outlook. This has led to a surge in demand for MBA graduates in the country and a corresponding explosion of Indian MBA programmes, making India the fastest growing business education market worldwide with more than 1,100 business schools and executive education centres and producing over 75,000 MBA graduates a year. However, demand still exceeds supply, with some of the top Indian business schools receiving in excess of 125,000 applicants for just 250 places on an MBA programme – one of the highest admissions' selectivity ratio in the world.

At the same time, the number of potential students from India applying to foreign business schools is increasing at a steady pace. GMAC (Graduate Management Admission Council) reports that, in the last year, at nearly two thirds of US full-time MBA programmes, the largest number of foreign applications was submitted by Indian citizens. In Europe, the phenomenon is similar. At IE Business School, for example, India is the third largest constituency in the MBA programme, which is composed of 85 different nationalities. Our experience also shows that applicants from India have better analytical skills and academic preparation than their average international fellows, a fact that shows the high quality of India's educational system and social access to culture.

My impression is that Indian students also have a distinctive cross-cultural openness that allows them to maximise the learning in very diverse contexts, such as the MBA class at our school.

Interestingly, India has also provided the management science with some of its best gurus, a term generated in Sanskrit culture that referred to those masters able to destroy the darkness and give meaning and illumination to complex problems, a function very much needed in today's business world. C.K. Prahalad and Sumantra Goshal are just two out of a long list of Indian leading figures in management knowledge in the past decades. It is not a coincidence that Harvard Business School and Chicago Booth GSM, two leading American business schools, have chosen renowned academics of Indian origin to become their deans.

All the prospects indicate that India can become a superpower of business education soon, helped by its economic growth and by the advantage of English being the vehicular language. However, I believe that some main changes and transformations are needed to reach that status. First, although the Indian Institutes of Management at Ahmedabad, Bangalore, and Kolkata have truly come of age and are now directly competing with their counterparts in the US in terms of work profile and salaries offered, there are still few Indian business schools listed in the worldwide recognised rankings.

The *Financial Times* (FT) 2010 ranking of MBA Programmes, for example, includes only one Indian business school – ISB – among the top 100, whereas there are three schools from China and two from Singapore. Strangely, Indian business schools are missing in some other key segments of business education: the latest FT ranking of executive MBA programmes does not include any Indian business schools, while there are five Chinese and three Singaporean programmes listed.

Second, there are still few business schools in India that have been granted accreditation by one of the major international agencies –EQUIS, AMBA and AACSB. The importance of international accreditation is that it validates the programmes and activities of recognised schools according to international standards and, consequently, opens up the school's educational offerings to international students. Here, again, Indian business schools underperform as compared to other Asian competitors. For example, there are currently only two Indian business schools accredited by EQUIS, whereas there are seven from China.

Third, there is a need for more information and transparency regarding the Indian business education market, as well as more research on the India business context. I recommend *The India Way of Leading Business*, a book edited by renowned academics including my friend Jitendra V. Singh, which portrays a number of successful case studies of Indian companies. One of the features identified by this book's authors is that Indian business leaders place special emphasis on personal values, a vision of growth, and strategic thinking. I hope we can learn from this and bring it to the next developments of business education, both in the East as well as in the West. ♦

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