

ROLES OF PRIVATISATION IN HIGHER EDUCATION INSTITUTION (HEI) WITH SPECIAL EMPHASIS ON BUSINESS SCHOOLS

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***Abstract:** The major components of privatization of education include establishment in the private sector of institutions imparting education and skills in schools, colleges, polytechnics, research laboratories, professional colleges in agriculture, engineering, medicine, management and others.*

Research question of the study is roles and realms of privatisation in Education with special emphasis on B-Schools of BIMSEC region? Author argued that B-schools with corporate tie-ups offering high-pay jobs and /or low pay jobs, but with job security is ruling the market BIMSTEC Educational Frame work for HEI of Business school ought to develop.

***Key words:** B-Schools, Privatisation, job security, BIMSTEC*

Introduction

Since the impact of privatization is penetrating all sectors of the economy, it is bound to affect education sector as well. As it is very difficult to meet the democratic aspirations of the people for further expansion of educational system due to paucity of resources it is therefore, being felt that the private sector is inducted in education so that it can share the burdens of the state in funding education. If privatization of education comes into conflict with the equity objective, state intervention would be desirable, to increase the quota of seats to the poor and deprived sections which will help in promoting human resources development to keep pace with the emerging requirements.

The wave of privatization is sweeping across the world. Within an economy, it is aimed at breaking the monopoly of the public sector in a number of areas. This can range from total denationalization (zero public ownership) to various degrees of private ownership in the form of joint ventures.

Gentile (2008) argued that business schools are now at a crossroads. Critics from outside and, more vociferously, inside the academy are taking aim at the way these schools train leaders. They find fault with both philosophy and methods: Business schools, they say, are excessively focused on a narrow conception of enterprise driven exclusively by short-term maximization of shareholder profits. Research, they complain, is driven more by the review requirements of academic journals than by the needs of managers; researchers eschew studying the real-world messiness of multiple objectives for the pristine fiction of strategies that optimize a single value or point of view.

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Ali (2014) observed that Quality education helps to achieve reinventing thinking beyond boundaries to Excel. It has been coordinated at the place of work through perseverance, enthusiasm, interpersonal skill, adding the value, so that transformation of persons, groups, institutes with innovative ideas, thoughts, entrepreneurship and technological advancement can happen with the vertical and horizontal coordination of efficiency and effectiveness. In the continuous process of changing scenario, reinventing thinking beyond is needed to sustain in the long run.

Ali (2016) commented that regional cooperation through BIMSTEC ought to be included in the educational sector where there is immense scope of development. Besides creating white collar labors, blue collar labors may be prepared by the universities for which course curricula should be changed through using business process re-engineering.

Soliaman et al. (2009) depicted that realizing the importance of the study of business administration, a number of B-Schools have already been established or emerged and come forward to take the responsibility of the overall development of a country or the globe. They described in the perspective of Bangladesh. Business School of BBA/MBA programs may be accredited by external bodies which provide students and employers with an independent view of their quality, and indicate that the school's educational curriculum meets specific quality standards. Rankings by the UGC, Bangladesh or any independent accreditation authority based on unbiased evaluation and scientific approach may improve the performance of the sample B-Schools by encouraging more competition. (Soliaman et al. 2009).

Wise (2015) argued that we can look forward to a very public and continuing debate about business education delivery and quality as educators continue to restructure and innovate in the pursuit of educational programmes which are most efficient in producing students able to operate effectively in the global business environment.

Rahman(2016) described that A well-defined set of institutional core values that define the approach to all institutional activities and lay the foundation for quality outcomes .

Research question of the study is roles and realms of privatisation in Education with special emphasis on B-Schools of BIMSEC region?

The expansion of the horizons of knowledge is taking place at a rapid pace all over the world; the underdeveloped economies must keep pace with this explosion of knowledge. Emphasizing this point the World Bank has stated: "Today knowledge explosion is dividing the world into fast moving, rich economies that use knowledge effectively and slow moving, poor economies that do not. Education or knowledge industry is becoming a key factor in the process of development."

This being so, education is no longer viewed as a social service, it is considered a necessary economic input and as such investment in education is treated as a factor contributory to human resources development. In this effort towards human resource development, the private sector is also expected to play its part since it is a major beneficiary of the knowledge industry.

According to W.W. Rostow, the world is passing through the fourth Industrial Revolution (1985). This encompasses genetics, communications, robots, lasers and new industrial material and the various tools and products incorporating the micro chip.

The growth of Satellite TV and the developments in computer technology have further escalated the information revolution. These technological developments have increased the requirements of highly educated and well-trained technical manpower.

The public sector is hampered by lack of resources and cannot meet the needs of industry and other sectors of the economy. Therefore, the private sector must be initiated in the programmes of training skilled manpower to take advantage of hi-tech opportunities. Privatization can respond more promptly and efficiently than the public sector which is hamstrung with structural and operational inflexibilities to market signals or market demand for labour and take effective steps to promote human resource development to keep pace with the emerging requirements. To grant the right to the management to start or stop courses in response to market signals; to persuade the users of the output of educational institutions to contribute towards the funding of educational expenditure. The prevalence of high degree of unemployment helps them to recruit qualified staff which works under a rigid discipline and is liable to summary removal at the will of the management. The high degree of insecurity of service enables the management to extract the maximum output from the staff which enables the trainees of management schools to handle situations in a more conducive way.

Malcolm Adisheshaiah (1992) has classified higher education institutions in India into four groups: those founded, funded and run by the state governments; those founded, funded and run by private agencies; those founded, and run by private agencies but funded by the government; and those founded and run by private agencies but funded partly by government and partly by non-governmental sources and management schools runs under any one of the above aegis.

A distinction has to be made between privatization and commercialization of education. India has a long tradition of private effort in higher education. Tilak, Maharishi Karve, Madan Mohan Malaviya, Sir Syed Ahmed Khan, DAV Trusts, Sanatan Dharam Sabha, Khalsa Dewan, Jamia Milia Islamia and many other charitable trusts started educational institutions to widen educational opportunity in the society. But, modern educational entrepreneurs are not guided by philanthropic motives of the earlier reformers, but intend to invest in educational institutions to realise higher rates of return on their investments, because the demand for professional education is very high and the risk involved in this investment minimal.

The Ramamurti Committee (1990) made the following recommendation in this regard: "In the circumstances, a justifiable strategy is bringing about an appropriate increase in the fees payable by students going in for Higher Education. In our country, the corporate sector is the biggest user of educated manpower, but is not prepared to contribute anything to the higher education sector. This is in sharp contrast to the situation prevailing in developed countries where the Universities receive substantial support from the corporate sector by way of grants."

Either the corporate sector itself starts funding higher education as a matter of policy, or alternatively the state should impose education cess on the corporate sector so that a certain portion of its gross profits is utilized to fund higher education. The kind of manpower needed today due to the electronics revolution needs much highly skilled and educated manpower and persons trained in professional education is imparted through management schools.

Top ranked private university of Bangladesh:

- Brac University
- Daffodil International University
- Islamic University of Technology
- North South University Bangladesh
- East West University Bangladesh

<http://www.ontaheen.com/top-ranking-private-university-bangladesh/>(Viewed on 27.11.17)

Business School of Daffodil International University's vision and mission is given below:

Vision

The central vision of the department of Business Administration is to extract the potentialities and flair from our youth and make the students worthy in the business world so that they can meet the changing demand of the society. The courses are designed to cover not only curricular aspect but also co-curricular programs to encourage life-long learning for the students. The students here are encouraged to participate in research work and engage in innovative tasks. (Source: <http://bba.daffodilvarsity.edu.bd/index.php/about-bba/mission-vision>)

Mission

The mission of the Department of Business Administration is to encourage quality education and training in Business Education. The goal is to create worthy citizens in this field who will ultimately serve the people at all levels wherever they live and work. The programs under the departments are designed to make the courses relevant, interesting and exciting ones. The Department also puts emphasis on building character of the students. And for that, they are required to study Art of Living as a mandatory course along with other regular courses.(Source: <http://bba.daffodilvarsity.edu.bd/index.php/about-bba/mission-vision>)

Bimstec

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is an international organisation involving a group of countries in South Asia and South East Asia. These are: Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal. BIMSTEC could brand a variance. It would be a region creation letterings within the worldwide setting.

The independent (2016) argued that in the current global scenario, economic plus social cooperation is pivotal for any nation to maintain stability in growth and, therefore, Bangladesh would be wise to constructively exploit all the arenas opened through this initiative.

The topic of the conference initiates the need and competencies of B-schools in BIMSTEC countries to reach equivalence by developing curricula with perspectives relating to GED (General Educational Development) with countries like USA, UK, Canada, Australia, Singapore and Malaysia.

When the honchos of Developed countries sing the propaganda of philanthropic and productivity in management, the BIMSTEC management schools do not have the luxury of former but relinquish on the latter, that is, productivity and productivity only. Perez (2016) argued that research capabilities, each nation having their collaborative efforts

may work on researches that would appeal to their areas of interests and expertise that is relatively related to the Economic Development of all BIMSTEC members. The Thai Journal indexing as well as the Indian Citation index would assist in providing reliable literature and support for researchers/scientist alike.

Objectives of the study:

- i) To assess present status of B-schools of BIMSTEC arena
- iii) To compare among different Higher educational institutes of BIMSTEC
- iii) To provide some suggestions to include Educational cooperation under BIMSTEC region

Methodology of the study:

The study has been done both primary and secondary sources. Time period of the study is 1st April to 30th May, 2016. Out of 366 enlisted B-school, with the exception of 50 ranked B-Schools, the graded remaining 31 schools will be exhibited.

Needs for B-schools

As Social Perspective

As the environment of organization-including economic, political, competitive, regulatory, and cultural factors becomes more complex, there is an increased demand for managers with the necessary skills, understanding, courage, and energy to tackle the difficult demands facing organizations of all kinds. To be a successful manager, an individual need skills in decision-making, financial analysis, and interpersonal relationships. He also needs the ability to apply those skills in a context of constraints, opportunities, and alternatives. Professional management programs are based on the premise that people can learn to manage all types of business situations more effectively. MBA programs not only help their students to develop skills that are highly valued by many employers, but the programs also present a theoretical context for solving many business problems.

As Individual Perspective

The purpose of an MBA education is to provide training in the theory and practice of business management. An MBA is an effective tool:

- o To change and/or advance one's career
- o To start one's own business
- o To gain the competitive edge in a competitive world
- o To develop technical expertise and business savvy quickly
- o To gain valuable networking resources
- o To enhance one's financial position
- o To enjoy greater job security
- o To enjoy greater job satisfaction and self satisfaction
- o To become a leader in an emerging field
- o To develop one's personality as a whole.

Industrial Perspective

'Some Men are born great, some achieve greatness and some have greatness thrust upon them'—Shakespeare ('Twelfth Night', Act-III Scene-3)

Management studies makes a leader achieve higher leadership for individual who are already having leading persona. Quality control, Quality Assessment, Quality Effectiveness and Quality Productivity is one of the hallmark in management.

International Perspective

It is often found in management exchange programs, culminates into Global achievement leading aspirations to work in a wider horizon. It helps to develop international tolerance embracing culture, ethos and pathos of different countries. Since the world has shrunk into a chip in the pocket, therefore, to understand international relations in a physical platform makes an individual endure compliances.

Admission Criteria

In USA, UK, Canada, Australia minimum formal education for twelve years leaves an individual to take up choices in different vocations or pursuing further studies. Graduation leading to master degree is an academic option. But some resume their academic path after experiencing job. They are able to pursue higher studies after qualifying GED, a test comprising of Social Studies, Science, Reading, Mathematics, and Writing.

In BIMSTEC countries the minimum entry is graduation and thereof.

Now let's throw light on the countries opening doors for aspiring MBAs.

Bhutan—Royal Institute of Management, Gaeddu College of Business Studies, University of Canberra needs graduates with IELTS valid score.

India—Rests on CAT, MAT, NMAT, XAT, IIFT, and SNAP after undergoing 15 years of formal education.

Myanmar—

- Yangon Institute of Economics requires candidates to have graduation with GMAT and 5 years work experience.
- Jinan University School of Management requires graduates thereafter, written test and interviews.
- Westford School of Management-Wolverhampton MBA and, Myanmar Imperial College (in collaboration with Northampton University) require graduates with work experience.
- STI Myanmar University— graduates only.

Thailand—

- Assumption University: Graduates and 2 Years (work experience required for part-time MBA)
- Stamford International University: Graduates
- Ramkhamhaeng University: Graduates
- SASIN, Chalalongkorn University: Graduates with valid GMAT/TOEFL scores.

Nepal—

- Tribhuban University School of Management: Graduates with CGPA 2.0 or 45%
- Kathmandu University School of Management: Graduates with CGPA 2.0 or 50%
- Pokhara University, Faculty of Management Sciences: Graduates with CGPA 2.0 or 45%
- Ace International Business School-in collaboration with Queen Margaret University (UK): Graduate
- Global College International-in collaboration with Shinawatra University(Thailand): Graduate
- Phoenix College of Management- in collaboration with Lincoln University College of (Malaysia): Graduate

Sri Lanka--

- University of Colombo: 4 years Graduate and 1 year work experience and written examination with GDPI or IELTS
- South Eastern University of Sri Lanka: Commerce graduate with written test & GDPI.
- University of Jaffna, Faculty of Management Studies & Commerce: Graduate
- University of Kelaniya: 4 years graduate in commerce, management, science, engineering, economics along with written test & interview

- University of Moratuwa: Either Honors graduate from same University & 1 year work experience OR, 4 years graduate & 1 year work experience OR, 3 years graduate & 2 years work experience.
- University of Peradeniya: Bachelors degree & work experience (duration not specified)

Bangladesh

Admission Requirement for Bachelor of Business Administration (BBA) at Daffodil International University:

- SSC /Dakhil/Vocational HSC/Alim/Vocational/BM/Diploma in Commerce/Diploma in Business Studies:
Students having minimum 2.5 GPA both in SSC/Dakhil/Vocational and HSC/Alim/ Vocational/ BM/ Diploma in Commerce/Diploma in Business Studies from any group may apply for admission.
- level A level:
Students completing five O-level subjects and at least two A-level subjects may apply. Out of these 7 subjects applicants must have minimum 4 'B' grade 3 'C' grade.
Admission Requirement for Masters of Business Administration (MBA) (Regular) program.
- SSC /Dakhil/Vocational HSC/Alim/Vocational/BM/Diploma in Commerce/Diploma in Business Studies Graduation:
Students having minimum 2.5 GPA both in SSC/Dakhil/Vocational and HSC/Alim/ Vocational/ BM/ Diploma in Commerce/Diploma in Business Studies and 3 or 4 years Graduation from any group may apply for admission.
- O level A level:
Students completing five O-level subjects and at least two A-level subjects may apply. Out of these 7 subjects applicants must have minimum 4 'B' grade 3 'C' grade.
- Admission Requirement for Masters of Business Administration (MBA) (Executive) program.
- SSC /Dakhil/Vocational HSC/Alim/Vocational/BM/Diploma in Commerce/Diploma in Business Studies Graduation:
Students having minimum 2.5 GPA both in SSC/Dakhil/Vocational and HSC/Alim/ Vocational/ BM/ Diploma in Commerce/Diploma in Business Studies and 3 or 4 years Graduation from any group may apply for admission.
- O level A level:
Students completing five O-level subjects and at least two A-level subjects may apply. Out of these 7 subjects applicants must have minimum 4 'B' grade 3 'C' grade.
- Experience:
After Graduation the applicant must have minimum 3 years job experience in executive level may apply for admission.

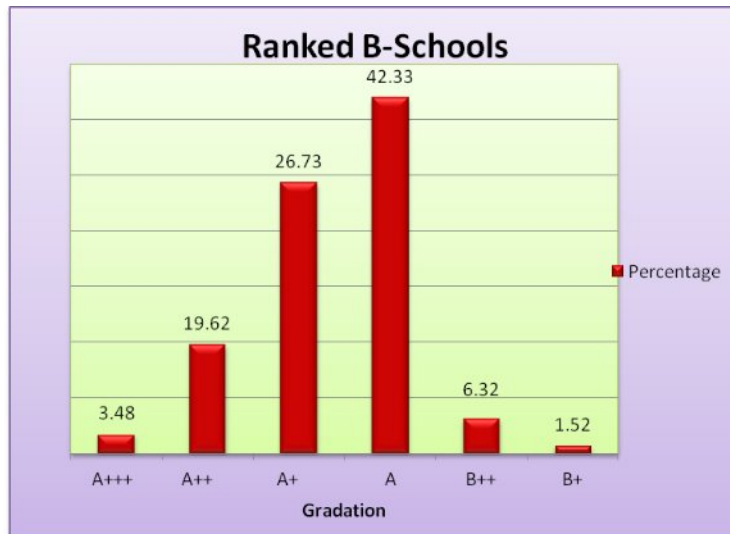
From the above criteria observed, for different eligibility in different countries one can commend on a consensus admission criteria for all BIMSTEC countries with interdisciplinary curriculums can enhance and open the job, entrepreneurship market.

Types and Competencies of B-schools

Several MBA schools in addition to general curriculum specializes in Finance, Marketing, Human Resource, Business Analytics, Operations, Hospital, Tourism, Hotel, IT, Rural, Agricultural, Entrepreneurship Management and so on.

A graphical representation based on the competency rating and salary turnover will show a picture of the 'Cinderella Syndrome'. The very good, good, not so good challenges encountered by the management schools of India are shown below:

Out of 366 enlisted B-school, with the exception of 50 ranked B-Schools, the graded remaining 31 schools exhibit the following:



[A+++ : 3.48 %, A++ : 19.62%, A+ : 26.73%, A : 42.33%, B++ : 6.32%, B+ : 1.52%]

The above figures shows the dearth of very high quality Institute. Four things add on to the probable incompetency—

- Lack of Good Teachers,
- Lack of Meritorious Students,
- Lack of Infrastructure and above all,
- Lack of Competent Management.

Analysis

A good package bagged by the graduating MBAs earns good publicity for the Institute intake. A survey on 313 B-schools shows the salary package for different categories of graded Institutes—

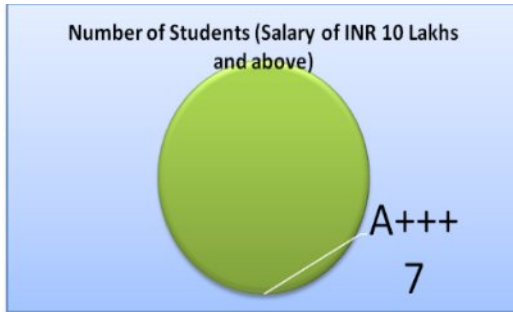
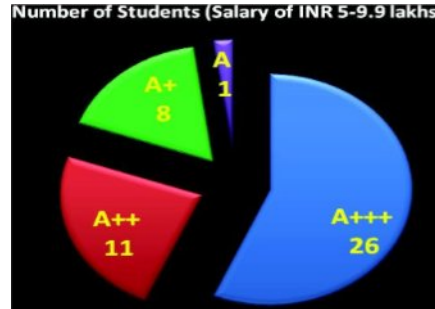


Chart 1 A+++ : 7



(Salary of INR 10 Lakhs and above)

Chart 2

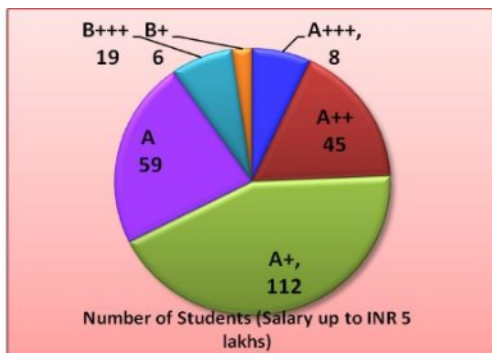


Chart 3

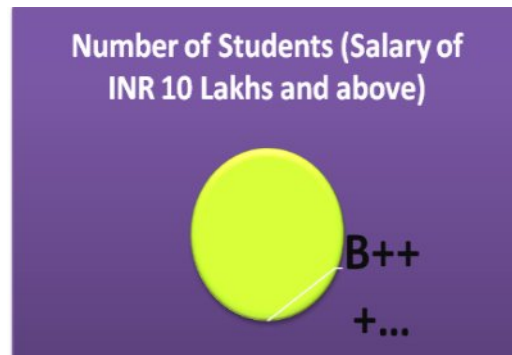


Chart 4

- A+++ : 26 (Salary of INR 5-9.9 lakhs)
- A++ : 11 (Salary of INR 5-9.9 lakhs)
- A+ : 8 (Salary of INR 5-9.9 lakhs)
- A : 1 (Salary of INR 5-9.9 lakhs)
- A+++ : 18 (Salary up to INR 5 lakhs)
- A++ : 45 (Salary up to INR 5 lakhs)
- A+ : 112 (Salary up to INR 5 lakhs)
- A : 59 (Salary up to INR 5 lakhs)
- B+++ : 19 (Salary up to INR 5 lakhs)
- B+ : 6 (Salary up to INR 5 lakhs)
- B+++ : 1 (Salary of INR 10 Lakhs and above)

Interpretation

The figures give a not so competitive picture of Need vs. Competencies in the pivot of currency.

Combining chart 1,2 we observe--Individuals drawing not less than INR 5-9.9 lakhs from A+++ schools thrives with claimants of INR 10 lakhs, showing that market is not yet ready to hire the price expected to pay. Secondly, less pay is accommodative when supply is higher than the demand. Thirdly, prospective candidates are brain draining their capability for Dollar redemption.

Again, the chart 2 show, Competency of Management Institute is directly proportional to the Salary of the incumbent.

Now, Chart 3 shows a good management school churns out maximum aspirants in a competitive salary slab with very good and not so good schools of management. We may infer that it's not the school alone but the capability and the merit of the candidate determines its goal of achievement- be it in money or be it in entrepreneurship in turn out basis.

While interpreting Chart 4 a unique deflection in salary is shown in one of the not so highly rated, rather mediocrity school of management. It is presumed that the candidate is either 'wise' or 'otherwise'. But this does not hold true to substantiate exemplary.

Course	Credits	Duration	Installment	Admission Fee	Semester Cost (Average)	Total
Bachelor of Business Administration (BBA)	126	4 years	17,833	29,100	55,100	6,07,350
Regular	39-60	1-2 years	17,667	19,050	53,800	1,73,550-2,61,800
Executive	48	1-2 years	16,500	19,050	50,300	2,12,850

(Source: https://daffodilvarsity.edu.bd/page/show_page_detail/tuition-fee)

Case Studies

The figures display quantitative data which is supplemented by interview method which is supplemented for qualitative data. Students of 6 B-schools comprising of 40/45 students (Total 260) were taken at random.

The questions were asked in relevance to the topic in a conversational mode. They were not validated or administered with Reliability Test. Impromptu answers were invited and noted to get the reality of the situation.

Limitations

All the schools were private B-schools. The study did not consider public schools.

Interview Results

1. The students did not feel the investments were worth the package obtained by the pass-outs.
2. Students of some schools 20-25 of them got a package of 5 lakhs, whereas other school students of 30-35 got package of 5 lakhs.
3. Educational Loan was provided by the Banks through the College,
4. Unlike, Government Institutes banking on CAT; these private schools took in students through MAT and TOEFL; some took GDPI own score sheet and did not have any competitive edge.

The colleges had their autonomous syllabus bounded by the AICTE norms, gave Diploma but had very little scope for Research. They enjoyed student exchange program both at National and International level.

Teacher exchange program also brought new techniques of learning. For example, they were used to not using the mobile while attending the class, but some teachers insisted that mobiles should be On and they must twitter the lecture to friends to transfer the class communication. Those who were not so good with the keyboards, found it extremely difficult, but by the end of the session they perfected their skills.

Most of the students were aspiring for lucrative jobs but there were others who wanted to start on their own as Entrepreneurs, got special coaching for Finance, Marketing, and Strategy improvement from their teachers.

All the ECA and CCA revolved academic inclusion. A compulsory activity was community development program which was done through NGOs and gave a new dimension to their life.

Some Colleges offer Scholarship and some Student Researcher of the Institute took classes sharing nitty-gritty of the curricula. Only one College student shared their Inter-College Fest Program at State-level, National-level and also at the International-level; which was co-hosted with the help of NGOs.

Delimitation

The Observer failed to have similar interview session with pass-outs of the same Institutes holding jobs or in Entrepreneurship to learn the content of the Management Schools with Real-life situations.

Conclusions

Thus, the above observation, clearly shows that the 'Cinderella Story' painted by the Schools of Management are far from reality statement. Those schools with corporate tie-ups offering high-pay jobs and /or low pay jobs, but with job security is ruling the market and not so good schools of management are fooling the market. Daffodil international University's B-school is providing good quality education in Bangladesh. To improve quality education, regional and international collaborative effort is required.

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