

A REVIEW OF HIGHER EDUCATION IN INDIA IN AN ERA OF GLOBAL COMPETITIVENESS

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Abstract: Twenty-six years have gone by since India embarked upon the road to economic reforms. Global competitiveness reports point towards improvements in India's business infrastructure on one hand, while on the other they indicate lack of ability to attract and retain talent. Further, they indicate that research and innovation are two key pillars which can increase the ability of any economy to stay competitive, for which the quality of labour at a country's disposal assumes vital significance for it to remain competitive in the global business scenario. In this context, higher education's efficacy in creating quality labour assumes significant importance for India to remain competitive. This paper is an attempt to review the present scenario of higher education in India and try and visualise a future for the same. The research design used for this paper is exploratory which implies that the data for this paper has been collected using secondary sources of data collection. Absence of in-depth interview with industry experts may be one of the limitations of the paper.

Keywords: Competitiveness, Higher Education, Labour, India.

Introduction: Uchcha Shiksha or Higher Education in modern times is rapidly becoming one of the key focus areas for our nation and its youth especially since the last decade of the twentieth century after the government initiated economic reforms to rid the economy from the shackles of licence raj, opening doors to private investment by both domestic and foreign firms/companies in various sectors of the economy. The industrial resolution 1991 is a key document which clearly highlights the government's focus on reforms in the economy and industry (Up gradation of existing infrastructure, technology transfer, development of indigenous technology being some of the thrust areas) in the times of globalisation and at a time when institutions like the World Trade Organization (WTO), World Economic Forum (WEF) and the World Bank have been advocating greater degree of economic cooperation and interdependence among nations to achieve lasting peace and prosperity for their citizens. Foreign direct investment (FDI), transfer of technology, adequate protection for intellectual property rights (IPRs) like patents and copyrights are some of the key highlights of this modern era with agreements being signed to foster and nurture innovation and research especially in the least developed countries, lower middle income and upper middle income economies to ensure increase in the ability to efficiently produce goods and services for its population (referred to as productivity by Management Guru Michael E. Porter), who has gone on to equate productivity with competitiveness. Education, especially higher education is one of the key elements which can enhance the quality of labour in nations to achieve its goal of higher productivity and in turn stay more competitive among other economies of the world.

Key reports on Global Competitiveness: An Insight with Indian Perspective: Two major reports on global competitiveness namely the Global Competitiveness Index 2016-17 and the Global Talent Competitiveness Index 2017 point towards the tremendous scope for improvement for India to increase its competitive position in the world. While there have been improvements in India's overall ranking from 55-39 in 2016-17 among 138 economies, yet its ranking in the global talent competitiveness index (GTCI 2017) has further slipped from 89 to 92 out of 118 economies. The report goes on to explain that though India has a very good set of global knowledge skills at its disposal, yet its ability to attract and retain talent is poor. This highlights the need for creation, attracting and retention of quality labour in our country with talent equipped with higher education in any field ranging from science and commerce and management and arts/humanities being one segment of such labour. Another global report on ability of countries to innovate - Global Innovation Index (GII 2016) shows India climbing up the rankings as compared to the previous year with an overall improvement of 15 places to the 66th rank (a position that it enjoyed in 2013 as well) as a result of improved showing in factors like knowledge, technology outputs, human capital and research with significant improvement shown in graduates in science and engineering and the ability to absorb knowledge (wherein it has a healthy ranking of 31 in the index's research talent sub factor). The report however projects education as a weakness for India with improvements sought in teacher-pupil ratio.

Objectives: The main objectives of the paper are as under:

1. To develop a brief profile of higher education in India

2. To develop an understanding of higher education’s regulatory framework and problems of higher education in India using problems in management education as an example
3. To present a future outlook of higher education in India in terms of the initiatives taken at national/state level in India

Research Methodology:

- a) **Research Design:** Exploratory
- b) **Source of Data Collection:** Secondary, with data taken from reports and other published online and web sources. The research methodology adopted is heavily dependent on secondary data sources because of which the study is qualitative in nature with no attempt been made to conduct a survey.
- c) **Scope of Research:** The scope of this research is confined to developing a profile higher education in India only and does not take into its purview other segments of education sector namely, pre-school, school, secondary and higher secondary education and vocational training
- d) **Limitations of the study:** Absence of usage of qualitative techniques like focus group research and in-depth interviews (with experts in the field of higher education)

The content of the paper may be inadequate to form any substantial opinion on management education in India

Overview of Higher education in India: The Indian Standard Classification of education has defined higher education as

“the education which is obtained after 12 years of schooling or equivalent and is of the duration of at least nine months (full time) or after

completing 10 years of schooling and is of the duration of at least 3 years. The education may be of the nature of General, Vocational, Professional or Technical education”

India, today is one of the highest higher education systems in the world with over 36000 institutes. At present, higher education contributes 59.7 per cent of the market size, of the overall education market which was worth approximately US\$ 100 billion in FY 2015-16 and is expected to reach US\$ 116.4 billion in FY 2016-17. The Indian Higher education system has gone through rapid expansion. Today, India’s higher education system is the largest in the world enrolling over 70 Million students while in less than two decades, India has managed to create additional capacity for over 40 million students. At present, higher education sector witnesses spending of over Rs 46,200 crore (US\$ 6.93 billion), and it is expected to grow at an average annual rate of over 18 per cent to reach Rs 232,500 crore (US\$ 34.87 billion) in next 10 years.

To understand the higher education system in India, one needs to look at the Indian Standard Classification of Education (2014) which has classified educational activity/programmes in India. In this classification levels F-L correspond to Higher Education. Starting from F (under-graduate) to L (Dual degree programmes), it covers post graduate, M.Phil, PhD, diploma, post graduate diploma including advanced diploma programmes.

As per various reports released by MHRD and apex bodies like UGC, the higher education system in this country has evolved further with rise in the number of universities and colleges. (Table #1)

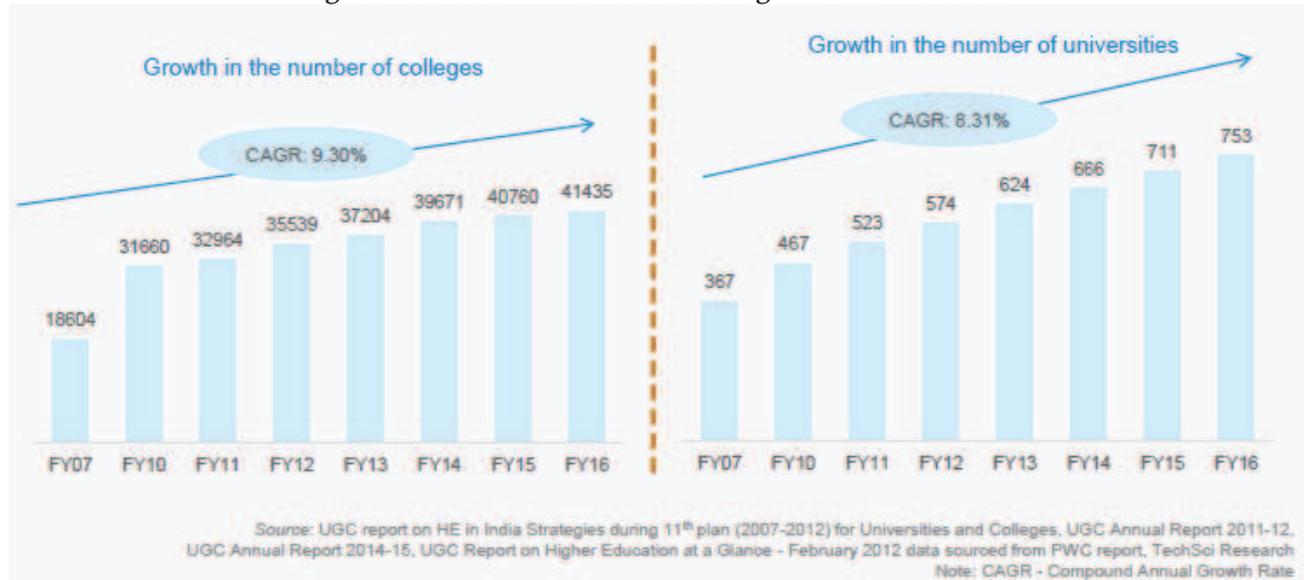
Table #1 Higher education statistics at a glance

INDIA		HIGHER EDUCATION STATISTICS AT A GLANCE			
		2011-12	2012-13	2013-14	2014-15
1	Number of Universities	642	667	723	760
2	Number of Colleges	34,852	35,525	36,634	38,498
3	Number of Stand Alone Institutions	11,157	11,565	11,664	12,276
Total		291,84,331	301,52,417	323,36,234	342,11,637

Source: MHRD report 2015-16

Since 2007 there has been consistent growth in the number of colleges and universities in our country. While college have been growing at the compound

annual growth rate (CAGR) of 9.30%, the universities have been growing at the compound annual growth rate of 8.31% as per UGC data. (Figure#1)

Figure#1: Growth in number of colleges and universities

Source: www.ibef.org

All India Survey on Higher Education 2015-16 (AISHE): Major Highlights:

1. There are 799 Universities and 39071 colleges and 11923 stand- alone institutions in India at present
2. 14 Universities are exclusively for women, 4 in Rajasthan, 2 in Tamil Nadu & 1 each in Andhra Pradesh, Assam, Delhi, Haryana, Karnataka, Maharashtra, Uttarakhand and West Bengal
3. Total enrolment in higher education has been estimated to be 34.6 million with 18.6 million boys and 16 million girls. Girls constitute 46.2% of the total enrolment.
4. Gross Enrolment Ratio (GER) in Higher education in India is 24.5%, which is calculated for 18-23 years of age group. GER for male population is 25.4% and for females, it is 23.5%. For Scheduled Castes, it is 19.9% and for Scheduled Tribes, it is 14.2% as compared to the national GER of 24.5%.
5. At Undergraduate level, the highest number (40%) of students is enrolled in Arts/Humanities/Social Sciences courses followed by Science (16%), Engineering and Technology (15.6%) and Commerce (14.1%)
6. About 79.3% of the students are enrolled in Undergraduate level programme.
7. 1, 26,451 students are enrolled in Ph.D. that is less than 0.4% of the total student enrolment.
8. Maximum numbers of Students are enrolled in B.A. programme followed by B.Sc. and B.Com. programmes. Only 10 Programmes out of approximately 180 cover 83% of the total students enrolled in higher education.

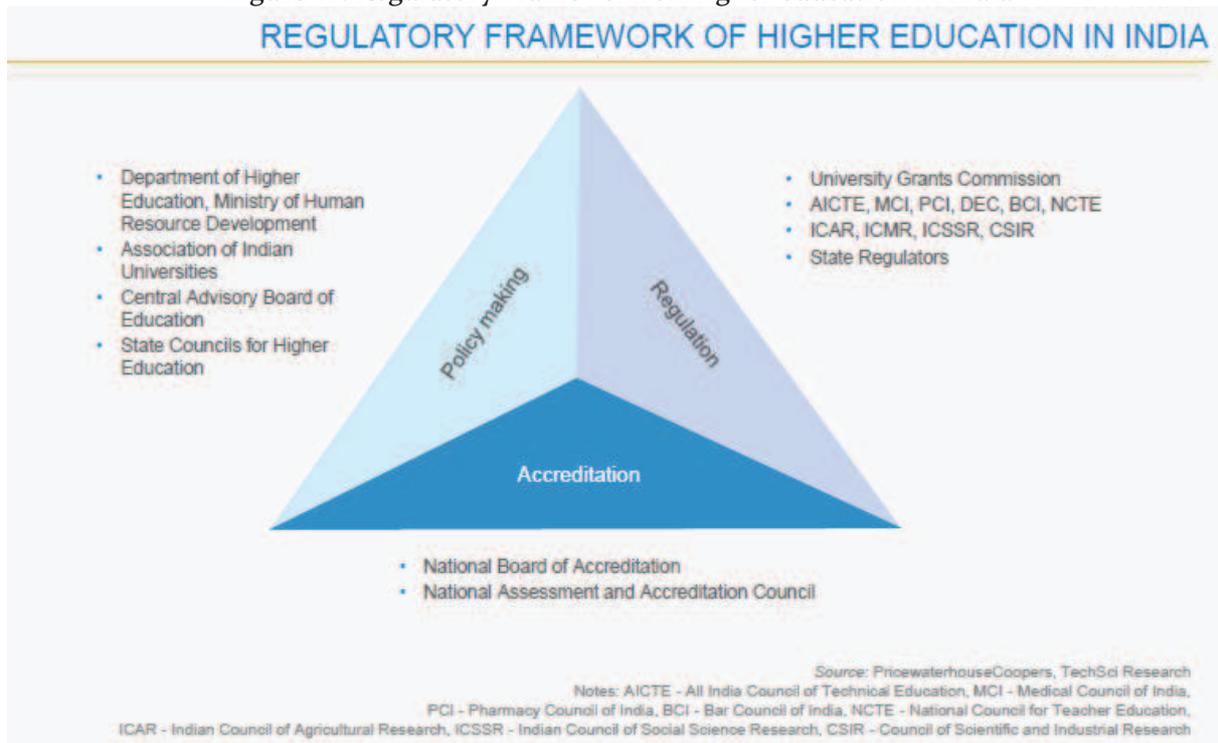
One of the key insights from the above is the poor enrolment in P.HD level across various disciplines. While it is heartening that the enrolment levels are very good at the undergraduate level, the enrolment levels at the post graduate and P.HD levels are a cause for concern given the fact that lesser enrolment at post graduate/P.HD level would imply lesser number of personnel contributing towards research which is an integral factor in how India can absorb knowledge (Knowledge absorption and corporate research are two key sub factors in global innovation index as talked about earlier)

Higher education in India: Regulatory Framework: Apart from the classification of education as mentioned above, the regulatory framework of higher education in India can be looked at as under: (Figure#2) As is evident from the figure above. Higher education in India is being facilitated monitored, and regulated through the three levels of namely

1. Policy making,
2. Regulation and
3. Accreditation.

While there are bodies set by the government both at the central and state level for framing appropriate policies for facilitation of higher education, there are institutions in place for keeping a watch on the activities, functioning and performance of the higher education institutions like the universities, colleges. Besides there are boards set up the government for grading institutions and universities based on quality of higher education provided.

Figure #2: Regulatory Framework of Higher education in India



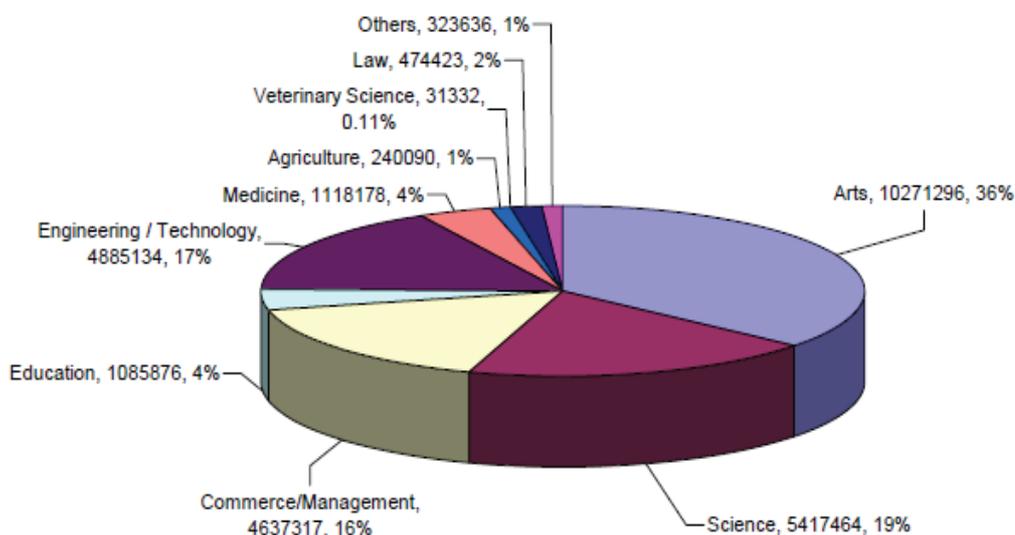
Source: www.ibef.org

Higher Education in India: Current Status: Higher education in India has many disciplines to offer ranging arts, science, commerce/management on one hand to engineering/technology, medicine, and agriculture on the other (Figure#3 and Table#2) as per report released by apex bodies like University Grants Commission (UGC) for the year 2015-16. The report also indicates maximum student enrolment in

Arts, followed by science commerce and management. Disciplines like Agriculture, veterinary science law has attracted lesser student enrolment which might be a cause of concern for India's economy which still relies on Agriculture to supply crucial raw material to its industry and whose contribution to India's GDP has been a matter of concern for the last few years.

Figure#3: Discipline wise student enrolment

Graph 2.2(d) : Faculty-wise Students Enrolment: Universities and Colleges : 2015-16



Source: UGC Annual Report 2015-16

Table#2: Discipline wise student enrolment

Table 2.2(d) : STUDENTS ENROLMENT *- FACULTY-WISE : 2015-16

S.No.	Faculty	Total Enrolment	Percentage to Total
1	Arts	10271296	36.06
2	Science	5417464	19.02
3	Commerce/Management	4637317	16.28
4	Education	1085876	3.81
5	Engineering / Technology	4885134	17.15
6	Medicine	1118178	3.93
7	Agriculture	240090	0.84
8	Veterinary Science	31332	0.11
9	Law	474423	1.67
10	Others	323636	1.14
Total		28484746	100.00

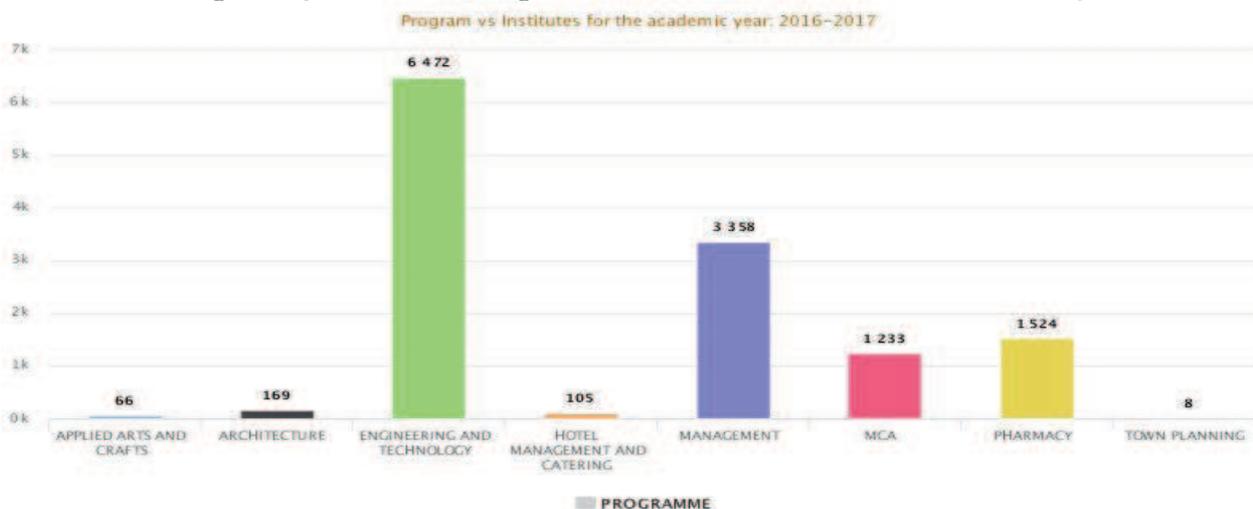
* Provisional Data

Source: UGC Annual Report 2015-16

The All India Survey on Higher education (AISHE 2015-16) conducted by the ministry of human resource development indicates that commerce and management courses are fourth and eighth respectively most sought-after courses in which students have taken enrolment. Intake in engineering and technology being highest in reported intake. This surge in students opting for engineering and technology and then management courses can be seen through the data released by AICTE on the growth of intake of students at undergraduate and post-graduate level. (Table# 3). Year 2016-17 saw intake of engineering and technology, management

and other disciplines across institutes in the country with intake management being the second highest after intake in engineering and technology as per data released by AICTE. (Figure #4). What these data indicate is perhaps the inclination of India’s human resources to equip themselves more with technical skills which augurs well for a country trying to raise the contribution of manufacturing sector to India’s GDP from the current 16% to 25% by 2025. This can be achieved with availability of quality labour at the country’s disposal and if the intake/enrolment figures are anything to go by, India seem to be progressing in the right direction.

Figure # 4: Intake of management students in institutes in India 2016-17



Source: <http://www.aicte-india.org/dashboard/pages/graphs.php>

Table#3: Growth of Intake in AICTE approved institutions

Year	Diploma/Post Diploma	Engineering and Technology	Management	MCA	Pharmacy	Architecture	Hotel Management and Catering
2007-08	417923	653290	121867	70513	52334	4543	5275
2008-09	610903	841018	149555	73995	64211	4543	5794
2009-10	850481	1071896	179561	78293	68537	4133	6387
2010-11	1083365	1314594	277811	87216	98746	4991	7393
2011-12	1117545	1485894	352571	92216	102746	5491	7693
2012-13	1212612	1761976	385008	100700	121652	5996	8401
2013-14	1177918	1804353	364816	119713	137257	9550	6622
2014-15	1307344	1901501	365352	109925	143244	10890	6442
2015-16	1310414	1844642	350161	103048	139622	10986	6430

Source: AICTE Approval process handbook 2015-16

Quality of Management Graduates: An Area of Concern for Higher Education in India: While on one hand, the data available point towards increase in students enrolling for management courses (both at the undergraduate and post -graduate level), on the other hand questions have been raised on the quality of the students coming out of universities and colleges armed with a degree in management, more specifically in business management apart from graduates in science and technology. Assocham report prepared by the Assocham Education Committee (AEC) (2016) says that only 7% students who pass out of the country's 5500 management colleges/institutions are not employable by industry requirements and standards, which puts a serious question mark on the ability of management institutes in the country except the IIMs and the IITs and other institutes of national importance (which are considered to be the best in management education) in ensuring that the students passing out are capable enough to handle the demands and pressures of the industry segment which they wish to join and have the right managerial knowledge and skills to not only survive but to compete with their peers as part of the human resource pool available in this country.

Nirmalya Kumar's interview (Nirmalya Kumar is one of India's best management thinkers- Member Group Executive Council Tata Sons) published in Forbes magazine (where in he said that management education has failed in India) and a few research reports apart from the Assocham report throw light on the problems associated with management education in India. What Nirmalya Kumar's interview does (though it might appear to be a personal opinion of an industry captain) is highlight the problems associated with management education in India to a certain extent. Detailed research has gone into this area has resulted in the following major findings that may be viewed as factors responsible for low- quality management education in India. These

findings are based on many research reports carried out by academicians over time.

Problems of Higher Education in India:

- 1) Lack of quality control and infrastructure
- 2) Need to update and retrain faculty in emerging global business scenario
- 3) Shortage of faculty as teaching is not a lucrative career with low salaries
- 4) University curriculum not updated regularly to meet the requirements of industry
- 5) No linkage between state and central source of funds

Future Outlook: In the backdrop of the problems related to higher education in India as highlighted above, it might appear that the future of higher education in India is rather bleak. However, all is not lost yet. A series of initiatives have been taken by the apex bodies in higher education namely the UGC and the ministry of human resource development (MHRD) to address the concerns raised by the industry and ensure that the quality of higher education and management graduates for example do not suffer. The UGC, being one of the most important apex bodies responsible for regulating higher education in India has come up a series of major initiatives in its XIIth plan (2012-17) addressing focus areas like admissions, faculty, research etc. with one of the major initiatives being underlining guidelines to identify and work towards achievement of excellence by the universities having potential to excel.

The Government on its part through the MHRD while working on the National Education Policy (NEP) has chalked out a well-defined strategy- a campaign by the name Rashtriya Uchchar Shiksha Abhiyan (RUSA) or the National Higher Education Mission. Launched in 2013, some of the major focus areas of RUSA are as under:

- 1) Creation of new university and colleges
- 2) Expansion of courses and disciplines
- 3) Creation of research universities

- 4) Addressing quality and availability of faculty though faculty recruitment support and faculty development programmes
- 5) Infrastructural up gradation of existing institutions

Some Other Initiatives: The Union Budget 2017-18 has pegged an outlay of Rs 79,685.95 crore (US\$ 11.952 billion) for the education sector for financial year 2017-18, up from Rs 72,394 crore (US\$ 10.859 billion) in 2016-17—a rise of 9.9%.

- 1) The Government of India and the World Bank have signed a US\$ 201.50 million International Development Association (IDA) credit agreement for the Third Technical Education Quality Improvement Programme (TEQIP III), aimed at improving the efficiency, quality and equity of engineering education across several focus states.
- 2) The Government of India has signed a financing agreement with The World Bank, for International Development Association (IDA) credit of US\$ 300 million, for the Madhya Pradesh Higher Education Quality Improvement Project, which aims to improve student outcomes, especially of disadvantaged groups in selected Higher Education Institutions (HEIs) and increase the effectiveness of the higher education system in Madhya Pradesh.

FDI in education: The total amount of Foreign Direct Investments (FDI) inflow into the education sector in India stood at US\$ 1,383.62 million from April 2000 to December 2016, as per data released by Department of Industrial Policy and Promotion (DIPP). Some of the major investment initiatives have been enlisted as under:

- 1) Welingkar Institute of Management Development and Research has signed two memorandum of

understanding (MoUs) with Israeli universities, namely Hafia University of Israel and IDC Herzliya, which includes pledging cooperation in the fields of study of technology, agriculture, archaeology, biology, etc.

- 2) Training and skills development firm NIIT has partnered with US-based edX to offer online courses from leading international universities including MIT and Berkeley to about 5 lakh people over the next three years.
- 3) Neev Knowledge Management Pvt. Ltd, which offers online and classroom-based certification courses under the brand name EduPristine, has raised US\$ 10 million from Kaizen Management Advisors and DeVry Inc., which will be used to increase its course offerings, and increase its presence to 15 cities across the country.

Conclusion: Higher education in India has grown rapidly in India especially in recent years. This journey over time has been characterised by India witnessing rise in preference towards science, engineering, technology and management education, the creation and the remarkable work put in by the IITs, IIMs and other institutes of national importance. India has also seen the rise of several institutions and colleges offering management education and other technical education with affiliation to university or programme approved by apex body like AICTE. At the same time, the problems related to quality of management education imparted to students and their unemployability concerns have also raised their heads. However, with the committed efforts put in by the apex bodies in higher education and the government ignite hope of a bright future of management education in India.

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