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'Move Away from Placement Mania'



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The world economy has been marred by slowing growth and job losses, and there are fears that the ripples would be felt in India too. So, companies are revising their budgets and hiring plans this year. Would securing placements pose challenges for leading business schools in the country? Ajit Rangnekar, Dean of the Indian School of Business (ISB), does not think so. He says he has not heard anything so far that would make him worry.

"We need to move away from the mindset of immediate placement mania. In today's age, anybody should expect to be out of job three to five times in their career for no fault of theirs. It could be ei-

ther due to a merger of a company or a strategic change by the company or a completely-unknown upheaval. You should not worry about the immediate job after graduation. Are you strong enough, capable enough and flexible enough to handle ups and downs in life — that's what you need to worry about," says Rangnekar.

The Indian School of Business (ISB) has brought a paradigm shift to management education in the country. While the institution has found a prominent place on the global map as a leading B-school, its 10-year journey has been tough at times. Former chairman of the ISB board and another former member were embroiled in an insider trading case in the US. The former dean of ISB, who was on the board of erstwhile Satyam Computer Services, resigned after the company's promoter confessed to fudging accounts in the IT firm.

However, Rangnekar says these controversies have not dented the reputation of the institution. "This was evident on three parameters. One, the number of student applications. It has gone up

by about 20-25% this year in the first lot itself. Two, corporate interest in offering jobs is encouraging as well. Last year, the number was high. The speed with which students secured jobs was higher and the kind of jobs that came were better. Three, the number of people who are keen on joining ISB as faculty members. That number is going up," he says.

But he also admits that the controversy is surely not something that the ISB would have wanted. "The good thing is that it demonstrated to us clearly that we have become an institution independent of personalities," he says. The school is also reviewing its curriculum to strengthen courses on corporate governance to churn out leaders who can tackle corruption in the country. "Everyone knows what's wrong and right. Fear and greed cause people to deviate. It starts off with something small and trivial, and then escalates. So, temptation becomes big," he says.

According to him the challenge before ISB is on recreating that temptation and fear in a classroom. "Otherwise, I cannot teach you. The next is

to estimate the cost involved in corruption. That's a very difficult parameter to assess. If you can get away with it, the cost is zero," he says.

He reckons there should be a very robust, strong and independent authority to implement changes in a transparent way. To make this happen, the school is planning to work with the government and civil society. Besides, offering courses in negotiation so that a person can get his work done without indulging in corruption, ISB will also soon introduce short courses for legislators and bureaucrats in capacity building in the government sector.

"Two batches of legislators from different states have already done a short course here this year. We also encourage our faculty in public policy to work with the government. Unless you can directly get involved in the working of this country, just sitting on the sidelines will not work," he says.

Over the years, Ajit Rangnekar has seen a surge in demand for MBA students and is of the view that educational institutions have not churned out enough students

to meet the needs of the industry. Also, the dean does not agree with the rationing mentality of the 1960s, which kept the number of MBA graduates artificially low so that there is always a demand. "While the industry has been growing in leaps and bounds, the education sector has not been growing. If we had 100 high-quality business schools, all students would get absorbed and the market would find its equilibrium. If the existing schools do not have high standards, it is incumbent upon the top schools to increase their capacity," he says.

To further this goal, ISB is doing its bit. With just over 120 students when it started in 2001, ISB-Hyderabad campus has 560 students now. Its campus in Mohali, which will accommodate 260 students, will be ready by April next year. "We are not planning any new campus. The focus will be on integrating Mohali and Hyderabad," he said.

Both campuses will be steered by the same dean and the faculty will also be the same. "This will ensure that both campuses will have the same culture," says Rangnekar.