

Budget 2014: Too many IITs/IIMs may result in sub-standard education

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The most important provision in the Budget as regards the education sector is the proposed setting up of 5 new IITs and 5 new IIMs. I think this is a hasty move for several reasons. IITs and IIMs are supposed to be the centres of excellence.

Having too many of these will go to water down standards in some way. Besides the eligibility criteria for entry to these premier bodies would need to be diluted to accommodate numbers.

In this context, let us remember that the new IIMs that have been set up in recent years have not quite reached the same league as the older IIMs, and have been struggling to establish themselves.

Having 5 more now would make things more difficult for these. The proposal also underestimates the resources in terms of academic power that is needed for a good B-school. Getting quality faculty has been a problem for all major B-schools. Research has taken a back seat in many cases. Already many schools are finding that the quality and quantum of research is woefully inadequate compared to management schools abroad.

If new IIMs end up taking in faculty without this aptitude and ability, we will be creating an unsolvable problem for the future. Further, given the large number of B-schools in the country, the question looms large as to whether we need all these schools.

Many of the present B-schools have been struggling to fill their seats. When one looks at the dwindling number of CAT aspirants every year, one cannot help feeling that many graduates now are exploring other avenues as well. In this scenario having more IIMs would only complicate matters further.

The other provision indirectly relating to education in the budget regarding start-up support for rural youth in education is welcome. We do not have the full details yet. However, all progressive economies seek to bring out more and more entrepreneurs and this is regarded as a critical objective of management education.

We have been hearing in recent times that schemes of angel-financing and venture capital funds have been available only to the urban educated youth and that the rural segment has somehow been left out. The extension of these to rural youth is a step in the right direction, in my opinion.

(The author is Director & Professor - Finance, SDMIMD. Views and recommendations expressed in this section are his own and do not represent those of EconomicTimes.com)

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