

Newspaper Clips

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Much ado about IIM rankings

AJIT BALAKRISHNAN

The Jet Airways flight from Bombay to Delhi had hardly started taxing for take-off when the attractive 40-something woman seated next to me, glancing at the stack of IIM reports on my lap, flashed a friendly smile at me and said, "What do you feel about Jairam Ramesh's statement that reputation of IIMs and IITs are not because of their faculty and research but because of their excellent students?"

I turned around to take a closer look at my co-passenger. She was trim and fresh-faced even at this unearthly hour and wearing what looked like a Ritu Beri outfit. "Isn't such a public debate healthy?" I countered as I tried to figure out what kind of an answer would make sense to her.

"I think such statements by ministers bring down the image of institutions that we Indians are proud of," she declared.

Reputations of higher educational institutions are a complicated thing to unravel. What makes these reputations, whether it is the research output of the faculty or the latter life success of its graduates or even the iconic style of its campus is something that truly deserves a debate. It is as esoteric a subject as figuring out what sets a company's stock price: over the long run it has something to do with that company's past profits and future prospects but it also seems to matter whether that industry is in fashion right then. Some academic researchers have even concluded that picking stocks to invest in by throwing darts at a board listing all the companies trading on the stock market and picking those that the dart sticks on is as good a way as doing rigorous analysis. That is to say, random chance, does as well as analytical rigour.

Something similar could be said about the rankings and reputations of business schools. The rankings that Indian and international magazines give out from time to time usually ascribe a weightage of about 20 per cent to the "quality" of research output. By far, the highest weight—often adding up to as much as 40 per cent—across all such rankings is given to the salaries awarded to the institute's graduating students. And since, in recent years, international investment banks and management consulting companies have offered the best salaries, those institutions that place their students in these sectors tend to get the best starting salaries and hence the best rankings in surveys.

TWO ACADEMICS TOOK A LOOK AT THE 50 MOST INFLUENTIAL IDEAS IN MANAGEMENT OF THE LAST 150 YEARS and point out that all these breakthrough ideas originated within real-life business settings, not from within academia

Judging the research output of an IIM is an art form. The current method is to count the number of research papers published in international peer-reviewed journals. This is somewhat like judging a person's health by looking at his weight-to-height ratio. Too high a weight-to-height ratio probably means you need to exercise more or eat less, too low ratio probably means you are neglecting your food. But for a vast majority of us who fall in the middle range, the ratio may not reveal much.

Most of the IIMs, at least the older and settled ones, neither publish too little nor do they dominate the international sweepstakes with their

output. Most published papers in the world seem to be the result of the mandatory doctoral work of PhD students. So, a sure way to increase the research output of the IIMs is to substantially increase the number of PhDs we produce across the IIM system. That should increase the research output dramatically.

But then, there is a raging debate in international academic research circles whether getting published in reputed international journals really amounts to anything.

Two academics, Julian Birkinshaw and Michael Mol, took a look at the 50 most influential ideas in management of the last 150 years—things like Just-in-Time inventory management, the Six Sigma quality system, and the Balanced Scorecard method—and point out that all these breakthrough ideas originated within real-life business settings, not from within academia. The role of management academics in these innovations appears to be merely documenting them and spreading the word about them.

"Well, what do you think?" asked my attractive travelling companion, bringing me back to earth from my reverie.

"I think that the IIM faculty does a great job of picking the right students for the IIMs, they run the entrance exams and interview process strictly on merit and in a country where most things can be bought, an IIM seat cannot be bought, so the credit for even the student quality should go to the faculty. And do you know that 75 per cent of the students come from families with a family income of less than ₹70,000 a month."

"But still, should ministers say such things in public?" she asked. "I think such public debates are good," I said, realising immediately that I was repeating myself. "Are you worried about these issues because you are an alumna of an IIM or perhaps a faculty member?" I asked. "No!" she said, drawing herself up in her seat. "My husband owns a business."

"See!" I said triumphantly, "Jairam Ramesh's statement has drawn even you into the debate about research at the IIMs and IITs. Is that not a good thing?"

She gave me a sidelong look, checking whether I was pulling her leg, then opened the copy of *Bombay Times* and buried her head into it.

Comments welcome at ajitb@rediffmail.com

Aaj Samaj ND 11/06/2011

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IIT software to help teachers

K.A. DODHIYA

MUMBAI

June 10: An alumni of the Indian Institute of Technology-Bombay (IIT-B) along with a professor have come out with an innovative programme to teach students. The programme known as "Computer Masti," is aimed at helping teachers come up with innovative methods to teach and assess the students as well as make them comprehend and learn faster. According to a spokesperson of InOpen Technologies, which is part of the Society of Innovation and Entrepreneurship (SINE), IIT-B the idea was initially aimed at making computer learning easy for students through fun and games. Prof. Shridhar Iyer of the Computer Science Engineering (CSE) department IIT-B and Rupesh Shah, CEO of InOpen technologies jointly undertook work on the project.

"Computer Masti is designed as a series of text books accompanied with a software DVD. It has been

prepared after a deep understanding of what is suitable for school education in the Indian subcontinent and schools abroad," said Prof. Iyer.

"I realised that there was an urgent need for making education easy after joining the academic board of a well-known group of schools four years ago. That is when work on the same was started at the IIT-B," said Mr Shah.

After receiving requests from various schools to help them understand and explain the ways to implement the programme, a workshop was recently held at the IIT-B campus for nearly 350 teachers from across the country.

According to a teacher, who attended the training, the programme was very helpful for introducing new projects for the students to understand the concepts properly without actually going through any stress or pressure. The teacher added that the programme will go a long way in fulfilling the CSE requirements.

The hundred acres of land, on the road from Delhi to Jaipur, were marked in government records as *banjar* (barren) and *beehad* (inhospitable). Yet, the uneven patch has been fenced and parts of it landscaped in the last two years. Dams have been built on the adjoining hills to keep flash floods, which happen during the monsoon rains, from entering the campus. An old *jaal pilu* tree, devastated for fodder and firewood by villagers and nomads, has been resurrected; a road meant to run over the old tree now gently curves around it. Some buildings have been constructed, and work is going on at a few others. The temperature can touch 49 degrees in the summer, snakes and scorpions abound in the campus. This is where Rajendra Pawar, the chairman of NIIT, wants to give shape to his dream project, the NIIT University.

There are 122 students studying engineering and business administration at the university. The students say that what drew them to the new university was the NIIT brand; it also doesn't seem to be their first choice. Pawar knows that building the brand equity of an educational institution takes time — a problem that also crops up when he goes out to recruit faculty. But he has a 10-year construction plan for the University, at the end of which, he hopes, there will be 5,000 students on campus. Midway, he hopes the university will have proven that it can sustain itself financially through fees, grants, incubators and sale of intellectual property.

Meanwhile, Pawar is going all out to make NIIT University a green campus. A 1.6-km tunnel transports wind 12 feet below the earth's surface, where the temperature at all times is 24 degrees, across humidifiers and water curtains into all classrooms, offices and hostels. Another duct, fitted near the ceiling, sucks out all hot air in the room. Ninety-seven per cent of the water (struck at a depth of 300 ft) is recycled. The architecture is conventional Rajasthani, with courtyards and buildings close to each other in order to make the best use of shadows in the blistering heat. A nursery has been set up for local trees, some of which, like the *jaal pilu*, face extinction. Pawar has sought the state's permission to green the neighbouring Aravalli hills.

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Pawar, along with Vijay Thadani and Parappil Rajendran, had started NIIT for IT education in 1981. It set up centres across the country and offered consultancy to companies. Out of consultancy was born the software division of NIIT, Pawar's recent success. In the 1990s, the software division stayed away from the high-volume and low-margin sectors like body-shopping and Y2K. That's why it never had the scale of companies like TCS, Wipro and Infosys. After the dot-com bust of 2001, Pawar took some strategic decisions: One, software was spun off into a separate company, NIIT Technologies; and two, instead of horizontals, he chose to focus on verticals. Almost 55 per cent of the business came from three verticals — travel & transport, BFSI and a mix of manufacturing and supply chain. These became the three chosen verticals. The contribution of the other verticals has come down from 45 per cent to 12-15 per cent now. "The strategic choice had an element that was shrinking — that was a drag. Not any longer," says Pawar. "Our (profit) margins are Tier 1 margins."

In fact, the operating profit margins of

High degrees in the desert

NIIT Chairman Rajendra Pawar tells **Bhupesh Bhandari** why he's building a new university in hot, dry Rajasthan



Pawar on the as-yet uncrowded campus of his new creation

NIIT Technologies at 20-23 per cent are better than IT education under NIIT (10-13 per cent). Also, NIIT Technologies is growing at a faster clip, and the two companies are running neck and neck. While NIIT reported consolidated income of ₹1,248 crore (and operating profit of ₹67.20 crore) in 2010-11, NIIT Technologies closed the year with ₹1,232 crore (operating profit of ₹240 crore). The reason, says Pawar, is that IT education still has a large contribution from emerging markets, though he has tried to move it up the value chain with acquisitions in the US.

In IT education, Pawar has also had to battle quality perceptions. "Defects happen in any service sector," says Pawar. "On customer satisfaction, placement and student performance, our matrix has remained very good. It's not an easy business because everyone has a personal experience. There are few institutions in the world that deal with both scale and quality." Hasn't NIIT lost mindshare in the education space to newcomers like Educomp and Career Launcher? "There have been at least four waves of training in the IT industry since 1981. Companies came and went; the only brand that stays rock steady is us," Pawar replies.

Another criticism that NIIT now faces, after the Infosys affair, is succession: who next, after the promoters? While Pawar is the chairman of NIIT as well as NIIT Technologies, Thadani is the CEO of NIIT and Rajendran is the COO, though Arvind Thakur, a professional who joined NIIT in 1985, is the CEO of

NIIT Technologies. "If you watch the way we have projected our leaders for the past four or five years, you will notice that there's a next level that is running these individual businesses as presidents. Every six months, we sit down to look at the top 60 people. This has been happening for the past ten years," says Pawar.

His targets sure are ambitious. "Three million people have benefitted from our training programmes. What next? An idea doing the rounds is 'teach a billion'. I don't know when it'll happen; maybe a decade from now," says Pawar.

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Pawar began to think of a university sometime in the beginning of the last decade. NIIT had diversified into fields other than IT education; its GNIIT programme, which can take up to three years to complete, had turned popular. Its net university was up and running. The next logical step was the NIIT University. "We see ourselves as a global talent developer, rather than just an IT trainer for developing markets," says Pawar.

NIIT University is a non-profit company; so the money, though Pawar refuses to disclose how much, has come from the personal wealth of the founders and not NIIT — it would have been unfair to the shareholders of the company. Over 10 years, the plan is to pump ₹1,000 crore into the university; a tenth of that has already been invested.

At a time when there is growing disil-

lusionment with the quality, and hence the employability, of engineers and MBAs turned out by colleges and universities, how does Pawar plan to make a difference? The university, says Pawar, stands on four core principles: strong links with industry, technology-based education, research-driven mindset and seamless interface between various departments. The emblem of the NIIT University is the seamless Mobius Ring. Karan Singh, the chancellor of the university, has given it a Sanskrit name: Anadi (without end).

Some thought has also gone into designing the courses. The courses chosen for engineering, for instance, focus on emerging trends in a knowledge economy; thus, civil engineering is out. Pawar has got nine of his friends, each a high-profile CEO, to mentor three or four students each. In addition, mid-level managers have been invited to act as coaches to students — they are in constant touch over email. "It helps them to keep in touch with youngsters," says Pawar.

For MBA students, there is a "China immersion" programme where they are taken to China to see management education and industry at work. Pawar has started a two-year MBA (finance and banking) course with ICICI Bank for practicing managers. At the end of the four semesters (two each at the University and ICICI Bank), all the students will get placed with ICICI Bank. More such partnerships, says Pawar, could happen in the future. To make a name, in the arid Aravallis, is anything but easy.

DALIP KUMAR