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CHALLENGES IN MANAGEMENT EDUCATION

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With the advancement and exponential availability of the internet, mobile phones and smart phones, there is also consequent significant development and innovative advances in the multifaceted areas of management and commerce. For example, traditional commerce has shifted to electronic commerce (E-commerce) and mobile commerce (M-commerce), traditional marketing is shifting towards digital marketing or internet marketing, including Co-opetition (Cooperation and Competition), and, accordingly, there is more emphasis on psychological and service marketing. Globalization and its development are playing a major role in various management activities and trade. Fraud, bribery and corruption are increasing and there is more emphasis on Forensic Accounting to prevent and detect these frauds. Smart phones may be turned into virtual cash registers and businesses can track sales, inventories and other data on smart phones and tablets. This free app which has attracted millions of business in the US, Canada and Japan turns a tablet or smart-phone into a sales register that can be used to process payments while tracking data on sales, handle appointments and generate information for tax. Big data and data analytics are playing a crucial role in the finance arenas and also in market research. There are major changes in corporate governance and even small and medium enterprises and family business, who each are adopting these changes. The concept of corporate social responsibility and ethics is gaining momentum and consequently there is more emphasis in businesses on business ethics and corporate social responsibility as viable incentives to improve reputation and profits. Social media will play a crucial role in various management activities including global strategies and entrepreneurship.

Challenges for Management Academia

Keeping in view these advances and developments in the various areas of management, accordingly management education will also face challenges and in order to keep up-to-date it will need to include cutting edge subjects (which may replace or at least enhance traditional subjects) like Globalization and Development, Forensic Accounting, E-Commerce and M-Commerce, Big Data and Data Analytics, Digital and Direct Marketing, Internet marketing, Service Marketing, Corporate Governance and Corporate Social Responsibility, Business Ethics, Co-opetition, Cross Cultural Management and Global Strategy to name a few. As Dayal (2002) pointed out “Driven by developments in science and technology, and globalization of business, the social, public and business organizations in the West had to undertake many changes in their management structure and operating practices. In response to such changes the educational programs in the Western countries have had to undergo noticeable changes in the curricula, content, methodology and coverage. The economic and the business environment in India are also undergoing somewhat similar changes as earlier experienced by the West. It is imperative that the structure of management education in India be changed”.

Challenges for future Managers

Managers will face enormous challenges when making strategic decisions and managing organizations in a global environment and will need to be aware of the global business strategy. Global business strategy will include examining the process of internationalization and the complexities of managing conflicting demands such as the need for cross-market integration, national responsiveness and worldwide learning. They will need to learn the organizational capabilities required to manage across boundaries, the challenge of building and maintaining strategic alliances and the roles and responsibilities of individual managers. They may need to identify the nature and scope of challenges faced by organizations that operate across national boundaries and evaluate strategies used by multinational enterprises and their appropriateness in different contexts. They may have to assess their organisation's position in the market place and define strategic issues from a global strategic perspective and provide recommendations on how a multinational organization can gain sustainable competitive advantage. They will also need to understand the importance of ethical and sustainable behaviour. Future managers may have to learn cross cultural management which should focus on organizational and cultural aspects of managing people especially if they are working as an expatriate manager for a multinational firm. Hence multidisciplinary approaches will become very important.

In view of the rapid globalization which is taking place “international finance” will play a crucial role in future business and trade activities. Future managers will need to understand the nature of international financial markets and how to manage the risks and take advantage of opportunities in the global financial markets such as hedging by firms with international operations. They will need to understand the fundamentals of the macroeconomic environment of international finance and how to use an array of financial instruments and tools for managing foreign exchange and country risk, raising capital in the global financial markets and valuing cross-border and multi-currency investments. Similarly international marketing is basically applying the principles of marketing in formulating International marketing strategies in the global business environment. However managers may have to examine the impact of multicultural consumer and buyer behaviour on product and services development for international markets. They will have to understand the complexities of the International marketplace and evaluate potential overseas markets and the factors impacting market research, market entry, pricing, distribution, products and promotion strategies. They may have to understand, via multidisciplinary investigations, the current and future trends, the cultural, political, psychological, legal and financial factors impacting the International marketplace. International Trade, which is different from international marketing, is the most rapidly growing component of world production. Increasingly, diplomatic resources are being used to negotiate smoother passages for world trade.

Government organizations and managers have to understand the distributional implications of trade and the subsequent attempts to intervene in trade to alter the domestic distribution of income and how international trade affects the overall welfare of nations, including income distribution effects in developed and less developed economies. There are various trade policy tools available to governments, and they should evaluate the costs and benefits associated with the implementation of such trade policies.

Digital and direct marketing has seen consistent exponential growth throughout the world. It is a very powerful method if used correctly. This growth continues as we evolve into using more digital forms of communication for our delivery methods. Digital marketing is not only used in marketing a product but it is widely used in “politics” and social media campaign. Today, new direct media channels are being developed more frequently and more general marketing efforts are integrating direct marketing tools

into their marketing strategies than ever before. For the future manager this means that the greater they have skills and understanding of direct marketing techniques, the greater they will have opportunities to develop successful and responsive campaigns. Managers have to gain an understanding of the tools needed for development of the concept, practice, nature, function and environment of direct and digital marketing. This will provide them with the strategies and tools of direct marketing which will enable them to execute campaigns which are cost effective whilst generated quality leads and sales for the brand. They will have to establish effective customer relationships, maintain those relationships through various initiatives which deepen and strengthen the consumers bond with their brand and products thereby ultimately building an ongoing profitable consumer database. Service marketing is another challenging area where the marketing principles and strategies are used in the service industries like Hospitality, Banking, Education, Tourism etc. Managers need to conduct a basic analysis of a service business from a marketing perspective, including product definition, identifying the target market/s and the positioning strategy and then make basic recommendations concerning appropriate marketing measures to enhance customer value and the organizational effectiveness of the business. They have to apply appropriate techniques to map the service delivery process and to measure service quality in order to improve service and provide recommendations on how to manage the service experience, primarily through effective customer relations and the smooth delivery of service.

As mentioned earlier, big data and business analytics will play a crucial role in many areas of management in future and this includes finance and marketing. Unprecedented volumes of data are being created on an almost daily basis, and the amount of data we generate is expected to increase exponentially. This big data has the power to change the way we work, live, and think. We are entering a new period of "datafication" - a modern technological trend turning many aspects of our life into computerized data, and transforming this data into new forms of value. This ongoing datafication of our lives will create an unprecedented demand for data scientists and business people who can derive value from unstructured data to transform the world.

(http://apps.bond.edu.au/subjects/subjectoverview.asp?SubID=19435_3)

This may lead to the problem of cyber security for organizations. In the information age dependence on information systems and services means organizations are more vulnerable to security threats such as viruses, computer hacking and denial of service attacks. Security incidents are increasing in number, sophistication, severity, and cost. Managers, accountants, and auditors are expected to be knowledgeable about the security and integrity of information they produce and rely upon. They have to understand the role of info systems security in organizations, the objectives of authentication, confidentiality, integrity, non-repudiation, and availability in security. The threats to information security and tools and techniques for combating these threats, basic concepts and technologies of info systems security and assurance including: access controls, cryptography, physical security, operations security, and applications security, Security Planning and Management including Risk Analysis, Management and the internal organization responsible for information security. Information Security policies, processes, standards and procedures, Business Continuity Planning to include backup, disaster recovery and continuity of operations and the ethical, legal, and international dimensions of information systems security.

(http://apps.bond.edu.au/subjects/subject-overview.asp?SubID=18173_3)

Keeping all these developments in mind, businesses will become more competitive and may have to adopt cutting edge technologies, and psychological strategies (e.g., in Co-opetition) to survive. Also the burden will fall on academia to prepare future managers who can face these challenges by introducing innovative subjects or integrating innovations and strategies into existing and new courses.