

The factors affecting the selection of B-Schools in the Indian Scenario

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Abstract:

Indian higher education industry is considered to be one of the fastest growing sectors and is termed as the “sunrise sector” due to the increasing potential of this sector. India is a country which is known to be equipped with a number of qualified human assets. With the increasing globalization the role of higher education has taken a new turn and management degree now has become an entry criterion for almost all the jobs. The aspirations of people have been changed and the growth in education has empowered people with advanced competitive skills and detailed knowledge. This sector has attracted many new entrants towards it both private/foreign players. This research is designed in a way so as to understand what factors students considered while making decisions for enrolment in a B-School. It would try to analyze the effect of income, age and profession on the decision.

Keywords: Higher Education, B-School, Indian Education, Quality.

Background:

India possesses a rich historical background that was set several years back. In the ancient times, knowledge in India was preserved and spread orally. The students used to be taught at gurukuls where they use to live the gurus and also do their daily chores as the part of their learning's. Sanskrit was the foundation language that was taught in India. Many foreign languages were derived from our nation language i.e. Sanskrit.

Indian education flourished during the second and third century BC when Mauryan dynasty was ruling with the establishment of new learning institutes. Taxila was founded which came up with new art of learning. This university became the place of learning for the new age scholars. After Taxila, Nalanda University in eastern India was formed where several religious conferences were held. This became as one the most popular Buddhist University. In India 10 century gave birth to Persian language that was considered the court language. This age individuals were versed with Parsi, Sanskrit and

Arabic. But with the birth of British rule in India the complete system of education was transformed. English was the languages that use to be taught in schools and colleges. New universities were founded in Calcutta, Mumbai, Chennai, Delhi, where besides English sciences used to be taught. The universities were following the pattern of international universities namely Oxford, Harvard. These universities imparted education in form of art and science and prepared the students for different careers in civil service, law, medicine, corporate sectors etc.

In 1842 the government understood the need for technical knowledge and founded the first industrial school related to Gun carriage factory in Guindy in Chennai. The diverse history of the higher education system, the present system of education is based upon the British system. The established framework of higher education in India is convoluted. There are disparate kinds of institutions accreditation prevailing in our state i.e. Universities, colleges, institutions of nationwide significance, post-

graduate institutions and polytechnics (Bagga, 2017). All India Council of technical education is considered to be the main deciding body for post graduate institutes.

Present Scenario

In the ongoing economic scenario, all over the world "Management" is considered to be a stream of education and training that has acquired new dimensions. Management is treated as a field that can embark immediate effect upon the workings of any multi national organization. New tools and techniques are being introduced to alter the three significant P's of any businesses which are stated as performance, productivity, and profitability. Management education is an important medium that is trying to improve the leadership qualities and nurture excellent managers for future. Over the coming years India has witnessed a remarkable transformation in its structure of higher education. It has crafted extensive admission to low-cost high-quality university education for students of all levels. With well-planned development and a student-centric learning-driven ideal of education, India has not merely bettered its enrolment numbers but has melodramatically enhanced its discovering outcomes.

A differentiated three-tiered university arrangement – whereas every single tier has a different crucial goal – has enabled universities to craft on their strengths and cater across disparate groups of educational needs. Further, alongside the competent use of knowledge, India has been able to ascertain the longstanding tension amid predominance and equity. India has additionally undertaken large-scale improvements to larger faculty-student ratios by making teaching an appealing occupation trail, rising capacity for doctoral students at research universities and delinking educational qualifications from teaching eligibility.

In recent years, India has undertaken several systematic, structural and technological

changes based on Artificial Intelligence (AI) (Vishnoi, Bagga, Sharma, & Wani, 2018), Business Intelligence (BI) (Tripathi, Bagga, & Aggarwal, 2020) and Marketing Intelligence (MI) (Vishnoi & Bagga, 2020) that have led to yield encouraging results. Presently India has been stated to have the best-in-class post-secondary education system. Some of the factors that have contributed significantly to the growth of higher education includes:

- Transition to a learner- concentrated paradigm of education
- A three-tiered formalized structure that forms the basis of expansion of differentiated university system

Intensive use of technology i.e. smart devices (Bagga, Sodhi, Shukla, & Qazi, 2017) and social networking sites centric higher education (Bagga, 2012)

- Reforms in governance

Higher education in India has advanced post-Independence. University Grants Commission (UGC), has changed their working by designing new programs and implementing different schemes through academic, administrative and financial support. This has contributed towards the growth and development of higher education in India. The entrance of private universities in the changing era has proved quite fruitful for the country (Bagga, Bansal, Kumar, & Jain, 2016). Many new schemes for different institutions in the field of medicine, technology, science, and others have been initiated by the government. In the present economic structure, the dividend is being filled by the introduction of new private universities. These universities are equipped with an ample amount of faculty, research facilities, relevant curriculum and adequate infrastructure i.e., mobile operating system and handset preference among others (Bagga, Goyal, & Bansal, 2016). The whole system of higher education in India has undergone a sea of change by constantly vying for adopting intelligent automation

in education (Vishnoi, Tripathi, & Bagga, 2019). At the start of independence, there were about 20 universities and 591 colleges while student's enrolment was just 0.2 million. But after India being independent, the growth has been dramatically increased. In the current scenario India is equipped with a highly structured system that includes various endeavors in the field of education and training. India's education sector is ranked at the third position in the world. Taking in account the number of institutions across the globe, India stands out effectively with approximately 26454 institutions (505 universities and 25952 colleges). This number depicts that approximately the percentage of students in B schools in India is lower than China and United states. The education ministry has suggested that approximately 6.01% of the gross domestic product (GDP) should be spent on education. The Knowledge Commission has additionally proposed a 1.56% of GDP spending for higher education out of 6.1 % of GDP spending.

LITERATURE REVIEW:

In the last few years, India's economy has witnessed a breakthrough escalation. The evidence of this progress is stated by the growing number of jobs that have been increased over the years and the major shift in the number of people into the major metropolitans from smaller towns and villages. A entirely new generation of people have been engaged in doing the jobs of, as called by routine producers (Reich, 1991).

The rise in the number of B Schools requires that they nourish more symbolic analysts (Reich, 1991). These people would be able to solve problems and create innovative solutions and not just performing the task without any creativity Education need to give birth to new opportunities for these Analysts to not only increase the individual's ability but also the overall standard of living. This should be able to make a transition in the commercial

progress of the state as said by (Bartel & Sicherman, 1998; Acemoglu & Angrist, 1999).

Satisfying ability of higher education is given huge importance by the authorities of Indian universities as they are trying to enhance upon the learning scenario for students. Also trying to match up with the expectations of various constituent groups and their operating legislative bodies. Through this they are demonstrating the effectiveness of institutions. Unlike service industries which are focused to achieve contentment as their primary goal, colleges and universities normally discern contentment as their target to achieve. The education sector concentrates more upon student satisfaction, motivation, retention and varying recruitment efforts, as said by (Rowley, 2003).

(Deming & Edwards, 1982) stated, that reviews pose a strong impact upon the perceptions of people as they frame their thinking upon what they see and listen, and they get either dissatisfied or delighted, or something in between. Delivering services of apt quality to university students, must administer up to students' expectations of the various university offerings of the B schools. Offerings are being conveyed to each of the student, and the positive word of mouth can either make or break a university's image (Devinder & Datta, 2003).

For delivering complete student satisfaction the workforce should follow the customer quality rules that could include either teaching, administration, or administrative roles (Gold, Malhotra, & Segars, 2001) concluding that transaction specific satisfaction is involved in influencing the overall satisfaction. Enrolments by the students is greatly impacted by the factors such as campus requirements, access to learning stuff, delivery ways and time availability (Cohen, Dove, & Bachelder, 2001). (Chun, 2005) found that students are also giving great importance to the university's reputation and their individual preference for the selection of university (Singh, Vishnoi, & Bagga, 2018).

Students satisfaction i.e. Customer satisfying ability has primarily been considered to be dependent upon the customer perception towards a particular service experience, (Cronin Jr. & Taylor, 1992). Quality is considered to be a major factor that affects customer satisfaction, as quality is termed as the end result of the service being provided by the organizations.

Consumer contentment is also said to be an agreement between consumer and the transaction i.e. the difference between the predicted service and perceived service (Lewis, 1993). Some famous researchers have also supported these viewpoints empirically (Anderson & Sullivan, 1993; Fornell, Johnson, Anderson, Cha, & Bryant, 1996); that proves customer satisfaction is the outcome of effective service quality.

Customer satisfaction and quality both to a large extent is highly dependent upon the service quality and satisfaction measurements. Both of them have similarities, but satisfaction is viewed as a wider concept, whereas the process of service quality highlights the different dimensions of service. Although it is mentioned that various other factors such as price and product quality can impact customer satisfaction but perceived service quality is a component of customer satisfaction. This theory complies with the idea of has been confirmed by the meaning of client satisfaction presented by supplementary researchers.

The measurement and maintenance of the factors affecting the selection is the core issue with respect to the growth rate and survival of institutes in today's time. As mentioned by (Zeithaml et. al., 2008), the process of customer satisfaction is majorly influenced by the variables which are state product quality, quality of service, the price, the personality, the situation.

Research Objectives

The key objectives of this research are:

- To analyse student perception about varied private B-schools in Delhi/NCR

- To understand various factors that students consider while selecting their b-school.

With the new entry of the private B Schools in India higher education institutes have become even more competitive in order to win customer loyalty in such a volatile market. What makes an Indian student select and stay loyal to a particular institute is one of the primary questions this research aims to answer.

The questionnaire that was used in the research was created to focus on all the objectives that had been defined. The questionnaire was a structured questionnaire. The questionnaire comprised of 20 questions. These were close ended in nature. The study was done using descriptive research, respondents were chosen according to the convenience the sample size of 211 respondents have finally been considered.

Data Analysis

- Majority of the respondents (62%) were doing MBA and 38% were BBA students. In terms of their annual income, majority of the respondents were from upper middle class having around 12L per annum income.
- Out of 211 respondents 81% of the respondents are agreeing to the fact that they want to pursue higher education. The remaining 19% disagree and don't want to go for higher education. This clearly shows that a high percentage of respondents wish to opt for higher education.
- On a nominal scale respondent were asked to tell their view points on their preference, the results show that 80.57% of the respondents are agreeing to the fact that they want to go for Indian institutes for higher education and remaining 19.43% prefers international institutes for higher education. Thus, it clearly shows that a majority of the respondents are prefer Indian institutes.

- Respondents were further asked to select the mediums that they used for knowing about the B- schools and the following was inferred out of it: Out of 211 respondents 58% of the respondents stated that friends and family reviews made them opt for a particular B Schools. The next highest is 56% that goes for internet which has been widely used for making the decisions. Thus, it shows that friends and family opinions and internet both are almost equally important while considering a B-School.
- Out of 211 respondents 34.1% respondents are agreeing to the fact that international tie ups and various new international offerings are attracting a greater number of students towards private B schools. 31.8% respondents are neutral towards this while 22.7% respondents are strongly agreeing to this fact. Thus, it can be said that international tie ups are posing a strong impact on attracting students towards it
- On multiple choice question respondents were asked to select the factor they consider for selecting a B-School. The results show that maximum number of respondent's i.e. 70% consider brand name. The other factors that were considered were location, price and placements and the least selected were facilities and reviews.
- A very high percentage of students i.e. 47.4% is, having the viewpoint that advertising effectiveness effects the image of the B school as it is being treated as a brand. Thus, it can be said that the role of advertising and marketing is strongly impacting the image of a brand i.e. B school.
- Majority of the student (93%) of both the categories i.e. BBA and MBANever preferred to do higher education through e-learning institutes. Thus, it shows that students generally do not prefer online degree courses for higher education.

FACTOR ANALYSIS:

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.797
Bartlett's Test of Sphericity	Approx. Chi-Square	4480.331
	Df	253
	Sig.	.000

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.618	20.080	20.080	4.618	20.080	20.080	3.638	15.817	15.817
2	3.979	17.298	37.378	3.979	17.298	37.378	3.622	15.748	31.565

3	3.555	15.456	52.834	3.555	15.456	52.834	3.219	13.995	45.560
4	1.901	8.265	61.099	1.901	8.265	61.099	2.551	11.092	56.652
5	1.735	7.545	68.644	1.735	7.545	68.644	1.896	8.243	64.896
6	1.289	5.606	74.250	1.289	5.606	74.250	1.771	7.699	72.595
7	1.070	4.650	78.900	1.070	4.650	78.900	1.450	6.305	78.900
8	.774	3.363	82.264						
9	.670	2.914	85.177						
10	.611	2.659	87.836						
11	.592	2.573	90.408						
12	.539	2.344	92.752						
13	.356	1.550	94.302						
14	.302	1.312	95.615						
15	.233	1.013	96.627						
16	.191	.828	97.456						
17	.187	.814	98.270						
18	.152	.660	98.930						
19	.082	.355	99.285						
20	.079	.342	99.627						
21	.061	.264	99.892						
22	.017	.072	99.964						
23	.008	.036	100.000						

Extraction Method: Principal Component Analysis.

Rotated Component Matrix							
	Component						
	1	2	3	4	5	6	7
College Brand Name	.054	.813	-.104	.034	-.013	-.276	.274
Price	.981	.008	-.029	-.005	.062	.017	-.026
Faculty	.976	.004	-.054	.015	.051	.010	-.015
No of seats	.962	-.008	-.154	.008	-.058	-.006	.032
Infrastructure	-.624	.408	-.124	-.081	-.092	.013	.126
Location	.314	-.459	-.157	-.280	-.049	-.470	-.224
Size of the campus	-.008	-.583	.463	-.291	.063	.052	.411
Area	-.181	-.425	.670	-.225	.214	.152	.256
Wi-Fi facilities	.260	-.443	-.135	-.158	.658	-.144	.193
Placements percentile	.036	.284	.080	-.032	.817	.313	.085

Job profile	-.095	.026	.352	.681	.023	.139	.084
Branded companies	.127	.060	.037	.856	.169	.057	.055
Average package	-.060	-.001	.133	.472	.703	.021	-.146
Online reviews	-.011	-.034	.787	.367	.283	-.147	.139
Peer reviews	.356	.114	.416	-.062	-.043	.482	.009
Quality	-.036	-.186	-.063	.275	.165	.854	-.103
Research and patents	.095	.444	-.144	.472	.090	.468	-.064
NAAC Accreditations	-.027	.845	-.045	.096	-.026	-.019	-.160
AICTE Recognition	-.033	-.218	.832	.193	-.037	.019	-.043
Longevity	-.063	.011	-.029	.007	.036	-.046	.916
International Tie-ups	-.002	.281	-.048	.631	-.233	.194	-.264
Curriculum	-.170	.832	-.081	.045	.135	.251	.002
Experienced faculty	-.062	.070	.888	-.004	-.095	.023	-.159
Extraction Method: Principal Component Analysis.							
Rotation Method: Varimax with Kaiser Normalization.							
a. Rotation converged in 9 iterations.							

Component Transformation Matrix

Component	1	2	3	4	5	6	7
1	-.274	.806	-.274	.381	-.046	.195	-.120
2	-.574	-.105	.710	.269	.170	.205	.108
3	.722	.042	.263	.482	.292	.292	-.073
4	-.152	-.102	-.411	-.069	.783	.187	.381
5	.216	.547	.390	-.399	.117	-.300	.489
6	-.051	-.086	-.076	.550	.131	-.809	.101
7	.052	-.143	-.155	.287	-.490	.237	.758

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

From the above factor analysis conducted the following can be inferred about the perception of students towards the factors affecting the selection of B schools:

- The KMO value of 0.797 which is approximately equal to 0.8 depicts that the value of sampling adequacy is satisfying the minimum criteria. Thus, this sample can be used to analyse the factors.
- The significance level of 0.00 which is less than the alpha value of 0.05 states that their

exists correlations between the data and it can further be used.

- The total variance explained table shows that the effect of seven factors can be explained using this analysis and the cumulative value turns out to be 78%.
- From the results of rotated component matrix, the factors are clubbed under the following:
 - 1- Brand name

- College brand name
 - Longevity
 - Reviews
- 2- Placements
- Branded companies
 - Placement percentile
 - Average package
 - Job profile
- 3- Physical Aspects
- Price
 - No of seats
 - Location
 - Area of campus
 - Size of campus
 - Infrastructure
 - Wi-Fi facility
 - International tie ups
- 4- Quality Aspects
- NAAC Accreditations
 - AICTE Recognitions
 - Experienced faculty

Thus, it can be concluded that the above 4 factors are majorly affecting the selection of B Schools in the Indian scenario.

CONCLUSION:

The Indian business educational landscape as well as the global trend has become increasingly turbulent. Completion is far stronger than earlier times with this competition in the market. The relationship of education landscape both nationally and globally, has enabled the progress of marketplace sophistication amid B-Schools. To endure in this competitive nature, institutions have to have an advantage. In this way a business institute has to furnish its target marketplace alongside extra worth than its competitors. In order to furnish superior worth to the students, association education institutions demand to anticipate and react to student's needs, desire and their choice factor in

selecting b-schools. The results of this research show that most of the respondents preferred Indian B-Schools compared to international B-Schools. Advertising by the B schools is posing a strong impact upon the decision of selection of a particular B school. The factor analysis helped in grouping the overall factors into four categories which are affecting the selection i.e. Brand name, Placements, Physical aspects and quality control. The most rated factors which effected the decisions of the respondents was Placements percentile, Branded companies, Average package, Brand name of college. The easy availability of education loans has made higher education more reachable.

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