The Impact of Globalization on Management Education

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Abstract

The impact of globalization has reshaped education policy of all nation-states. Now a day’s Education policy is formed and implemented in a global context and making the world into a small village through time and space compression with new technologies being an important facilitator of this interconnectivity.

This paper will analyze the impact of globalization on Management education and merely focuses on the impact of globalization in the domain of higher education particularly management education. It reviews how globalization may affect management educational policy.

This paper will start by clarifying the concept of globalization and consider its nature then the relationship between globalization and educational policy.

This paper not only illustrate the new key roles, and key challenges, and (KRA’s) key result areas of globalization to education sectors worldwide, but also brings the merits of globalization in education to the fore and considers the challenges that it presents to multi-dimensional phenomena; the diversity of curricula; professional mobility; accountability and quality remain as parts of a continuing dialogue in the context of global community.

In the area of Management education, universities and private institutions have become factors of the competitive advantage of nations, they are the locus of scientific discoveries that move economies forward and the primary means of educating and generating the talent or human capital required in order to obtain and sustain competitive advantage in various industries.

This paper covers the essential elements of globalization “in a coherent and detailed discussion of the theoretical background, definitions, and impact on education in general and higher education and management education specifically.

Research into above issues discussed could trigger and influence thinking on how local management education might be restructured to satisfy educator’s hopes and desires for an ideal future in which design is promoted as being more imaginative, innovative, and eliciting wider responses to ideas, experiences, feelings, emotions and intercultural co operations in a globalizing world in the world (both developed and developing nations)

Globalization is an opportunity and a challenge to management education in the current situation and the impact of globalization on management education is a subject of debate and discourse within the whole global community. This paper will contribute to future research on similar topics for those who argues that the management education system have been changed quite noticeably by the processes of globalization and gave an opportunity for the mobility of knowledge –worker and knowledge –seeker.

Key words: Globalization, Educational policy, Management Education, Competitive advantage, KRA’s (Key Result Areas), Professional mobility, intercultural

INTRODUCTION

Today’s era is characterized by globalization that is changing among others the economic environment that in turn effects institution of management education irrespective of their physical location, traditions and current practices and aspiration.

Much has been said about globalization, which is synonymous with the opening of national borders to the international flow of goods, services, raw material and resources information technology and also human resource.
Here, the paper interprets the impact on management education and pays special attention to transnational education, lifelong education, training and development, education in the future. The following discussion and interpretation are rounded off by the authors own empirical observation, study and experience of specific dimension of the impact of globalisation on management education sector in particularly, these observations and experience are concerned with the application of a broad theoretical concept to a concrete situation covering management education, course planning, pedagogical approach, accountability, quality, accreditation and funding. The study depicts that, inevitable, the international recognition of diplomas and degrees, and a balanced curriculum of core knowledge and competencies and technology, along with teaching profiles, are all areas that will be platforms for future opportunities and developments in all aspects of education in the integrated knowledge driven community.

Globalization is a complicated process which has positive effects on many sides of socio-economic life; it has been used in both positive and negative way by different people in different situations. Every one perceives at the concept form his/her point of view and interests. However, there is an understanding among all the theorists that globalization has had enormous impact on societies and economic, political, and cultural levels.

The focus in this study (paper) is on globalization and its impact on Management education system, particularly on management education policy. Marginson [1] mentions that education “ has become a primary medium of globalization and an incubator of its agent”

Jones and Coleman [2] states that no education system globally can survive and stay unaffected by globalization.

Methodology: Rich data was collected through a series of interview with management students teaching staff, and management practioners who are directly and indirectly involved with/in management education. This research paper aims to understand the effect of globalization on management education in India in positive as well as negative way and also to find out various aspects of globalization on education.

Literature Review: The Impact of Globalization

Globalization means that education opportunities are wider and border less (van Damme, 2001) [3] According to Sato (2002) [4], globalization augments the diversity of learning opportunities to people worldwide, in spite of the difficulty of assessing the content, quality and reliability of higher education beyond national boundaries.

Globalization has been a historical process. During the Pre-World War I period of 1870 to 1914, there was rapid integration of the economies in terms of trade flows, movement of capital and migration of people. The growth of globalization was mainly led by the technological forces in the fields of transport and communication.

The changes in the economic environment are also causing significant changes to national and international organizational and to governmental system such as moving from a centrally controlled economy towards a free market economy. The explosive growth in digital and internet technology, and telecommunication represented another catalyst of environmental change (magrath, 2000) [5] A global shift to knowledge economies is also increasing the importance of higher education further competition is in the form of new entrants to the higher education industry in response to increasing global demand for higher education (management education) (the future project, 2000) [6] Globalization is also affecting methods of educational delivery and support, traditional classroom delivery is now enhanced with electronic learning support, on line courses, virtual class rooms and web-based tutorials are some delivery methodologies for distance education across broader as a result of globalization.
However, the effect of Globalization in the higher education industry cannot be left completely to free market mechanism as issues such as quality and quality control, accreditation educational relevance, the effective use of new technology, and ethics needs to be in place and regulated, higher educational institution or world class management education institution cannot be allowed to only focus on profitability but must develop a strong dense of responsibility to educate and assist less developed nations established or acquire sound educational systems for future generation (AUT&DEA1999)[7]. The globalization of the economy and its concomitant demands on the workforce requires a different education that enhances the ability of learners to access, assess, adopt, and apply knowledge, to think independently to exercise appropriate judgment and to collaborate with others to make sense of new situations. Globalization is not the only factor behind the changes that are affecting education, and likewise it is not the only factor that motivates the local interest groups that formulate policy. Nevertheless globalization has posed challenges of a hitherto unknown nature to nation states, and much of the seemingly recent, never-ending change in education is a corollary of these challenges. The nature and complexity of the forces involved in globalization that any discussion of its impact upon education raises fundamental issues and should be a matter of considerable debate among educationists, researchers, and policy makers.

**Higher Education Challenges in a Globalized World**

Globalization is interdependence. Globalization is neither good nor bad. It is exactly what we do that decides the ethical decisions made in higher education from both a macro and micro approach that decides our course of actions. Just as universities purged their holdings that were found to support transnational crimes, we now must continue to review our policies and implementation practices that impact the global humankind. Multiple voices must be present on our leadership teams to ensure all aspects are critically analyzed. The conflicting aspects of market forces and our fundamental mission to educate is our most pressing issue.

Globalization is a growing challenge to higher education institutions worldwide since it brings not only opportunities but also concerns to higher institutions and universities. Duderstadt, Taggart and Weber (2008) go so far that they argue that there is a serious imbalance between educational need and educational capacity—many of our universities are in the wrong place, where populations are aging and perhaps even declining rather than young and growing, driving major population migration and all too frequently the clash of cultures and ethnicity (p. 274). They further argue that current estimates suggest that the number of students seeking university degrees will roughly double over the next two decades to as high as 250 million, with most of this growth in the developing world (p. 277).

And, there is no doubt that higher education institutions, especially research universities, are among the main agents of global convergence. Globalization breaks down barriers and connects institutions across the world making universities in every country visible to each other, facilitating knowledge flows, values on global learning, and creation of new opportunities for advanced graduates. The president of NYU, John Sexton developed the concept of “idea capitals” for research universities. Regarding the global spread of research universities, Sexton stated, “the evolving global dynamic will bring about the emergence of a set of world centers of intellectual, cultural, and educational strength; and recognition that research universities will be key to these “idea capitals” (cited in Spring, 2009, pp. 107-108).

**American Universities**

As might be expected, such marketization and commoditization have led to a significant privatization of education in a number of countries, in the United States, for example, schooling, higher education and training have been seen as lucrative markets to be in. Giroux (2000) reports that education markets represented around $600 billion in revenue for corporate interests. Over 1000 state schools have been contracted out to private companies. However, we need to understand the nature of the forces that have
pushed governments into adopting such policies and it is here that we can see the process of globalization directly at work (Monbiot 2001, p. 331).

Likewise, Duderstadt, Taggart and Weber (2008) argue that in a knowledge-driven economy, many governments are increasingly viewing higher education basically as a private benefit to students and other patrons of the university rather than a public good benefiting all of society. This is really a major shift in the value position from that of government responsibility for supporting the educational needs of society to university responsibility for addressing the economic needs of government—an interesting reversal of traditional responsibilities and roles (Duderstadt, Taggart & Weber, 2008, p. 274). In the words of spring Spring (2009) who states “What is strikingly new is the conceptualization of trade in educational services as a source of income to be included in the financial planning of nations, educational institutions, and for-profit multinational corporations” (p. 83).

On the other hand, in his book “Post American World,” Fareed Zakaria (2009) argues that higher education is America’s best industry. Eight of the top ten universities in the world are in the United States. By 2010, foreign students will get more than 50 percent of all Ph.D.’s awarded in every subject, and in the sciences, that figure will be closer to 75 percent. He further argues that the United States invests 2.6 percent of its GDP in higher education, compared with 1.2 percent in Europe and 1.1 percent in Japan (pp.190-191).

It is not surprising that all the above given assertions and claims seem to be true. According to the latest report on enrollments in academic year 2008-09 based on a comprehensive survey of approximately 3,000 accredited U.S higher education institutions of all types and sizes: International students all time high in numbers 671,616 contributed $17.8 billion to the U.S. economy, 65% of all international students receive the majority of their funds from personal and family sources and 70% of all international students’ primary funding comes from sources outside of the United States. (Open Doors Report, 2009, November 16)

In a more global setting higher education institutions have more plural sources of finance and they need autonomy and academic freedom to be both intra and inter global effective. American universities, though now severely challenged, are still perceived as being in the top rung of the higher education ladder.

**Australian and European Universities**

Australian universities currently have the perception of being strong contenders with their blend of relevant programs and high quality research. European universities are regrouping to capture a better place in the global market. In the Task Force report (2000) of the World Bank on higher education in developing countries, it is stated that “The task force believes that, in the knowledge economy, highly trained specialists and broadly educated generalists will be at a premium, and both will need to be educated more flexibly so that they continue to learn as their environment develops” (p. 14). However, in the report it is also stated that Higher Education in Developing Countries: Peril and Promise does not offer a universal blueprint for reforming higher education systems, but it does provide a starting point for action. While the benefits of higher education continue to rise, the costs of being left behind are also growing. Higher education is no longer a luxury: it is essential to national social and economic development (p. 14).

**Chinese Universities**

The changing trends of higher education are visible as many countries have set ambitious targets, for example, China had a goal of expanding vocational education so that at least 50 percent of the enrolments in secondary education would be in vocational education in the near future; India has a similar target of reaching 25 percent; and Bangladesh 20 percent (Tilak 2002). The impact of globalization is also evident in China’s current push in higher education.
Recognizing that the country needs a better-trained workforce in order to move up the economic value chain, the central government of China has committed itself to boosting scholarship and other types of aid in 2008 to $2.7 billion, up from $240 million in 2006. Officials have plans to expand overall government spending on education, which was a merely 2.8 percent of GDP in 2006 to 4 percent by 2010, a large portion of which will be devoted to small number of globally competitive elite institutions. (Zakaria, 2009, pp. 95-96)

**Indian Universities**

India is one of the largest higher education systems in the world facing the crisis of university of the poor, with continued expansion, deteriorating standards, limited resources, and political involvement (Swar & Panday, 2008). In this regard, it is important to note that recently, the Indian government has approved the Foreign Education Providers (Regulatory) Bill (2010) that will allow foreign universities to open branches in India. When this bill becomes a law after approval in the parliament, foreign universities will be able to enter the education market. However, this raises some concerns among Indian politicians as many believe that there would be no control, over export and import of higher education, and the private institutions, from overseas would open branches in India, exchange of degrees and certificates that would go on without any restrictions. Some of politicians argue that Indian Universities are already at loss as more than 50,000 students of our country are studying abroad in U.S., Australia and U.K., where as a very small number of foreign students are seeking admissions in Indian Universities.

On the other hand, some politicians argue that the presence of foreign universities, within India would also undermine task of creation of knowledge and services for the community and for nation building, as Indian Universities have their special mission to provide traditional educational values, which perpetuate the caste system which severely impacts women along with teaching, learning and research. The Vedic values of gurukul, are embedded in the higher education of India, to preserve the cultural heritage to keep our customs, rituals and spiritual touch of divinity alive (Swar & Pandey, 2008).

Globalization as a concept has been used in both positive and negative way by different people in different situation. Indeed, policy making in education is much affected by the phenomenon of globalization. Traditionally, policy has been produced within the authority of the nation-state, however, over last two decades Globalization has witnessed some challenges to nation-state bound policy making in education [8]

The term Globalization can be summarized and understand easily in three context

✓ Globalization in a complex context
✓ Globalization in a mobility context
✓ Globalization in a educational context

Recently, the word Globalization has been refereed increasingly in the media, academic literature and everyday talk [9]

**Globalization in a complex context**

Globalization is a buzzword of the decade. It is a generic term which has reached into every corner of society. It is not easy to ascertain (Burbules [10] et al. 2000) what is at stake in the Globalization issue, the functions that the term actually serves, and its consequences for contemporary theory, policy and critical pedagogy.

M.C Burine [11] commented (Uvuali’c-Trumbic’c 2002 [12] that Globalization raises new issues and throws a new light on some old issues which indicate the necessity for changes in how the higher education community think of itself in the global context and how it shares problems and collaborated in the search for situation.

Kellner [13] (1995) defined Globalization as a multivalent term that can be described either positively or negatively. It must seen as complex and multi dimensional phenomena that involves different levels,
flows, tension and conflicts and has to be described in terms of the highly complex and multi-dimensional processes in economy policy, culture, education and everyday life.

According to Sklair [14] (1998), there are multiple ways of understanding or approaching notion and image of globalization. These include the world system approach, global culture approach, global society approach and global capitalism approach.

From the above studies, theorists find that globalization has been involved in a fundamental restructuring and reorganization of the world economy policy and environment in a complex context (Brown; 1999) [15]

**Globalization in a Mobility context**

Globalization is a flow of technology, economy, knowledge, people, values and ideas and it is also known as mobility in many forms such as information, knowledge, people and employment (carnoy,1999) [16] Hirst etal (1999).

The United Kingdom’s Department for International Development (DFID, white paper, 2000) [17] has defined Globalization as the growing interdependence and interconnectedness of the modern world through increased flows of goods, services, capital, people and information.

This process of reorientation is described as internationalization. The internationalization of its higher education is one of the ways in which a country responds to the demands of globalization. Globalization is the cause and internationalization is the effect in response.

**Globalization in an educational context**

Globalization is primarily a perceived set of changes that include the shaping of new global firm in culture, the media and technologies of communication that nations have to accept and follow in order to be able to embrace global competition and responds positively. (carnoy, [16] 1999; vam Damm, [18] 2001)

The “Education for all” programme, to defined by UNESCO, was established to guarantee the human rights to free access to quality education (vanlathem, 2003)[19]

**Impact of Globalization**

Some people believe Globalization is a dangerous phenomenon which has changed the world in negative ways to some of them Globalization has brought undesirable consequences to society, affecting its peace.

For Example: Muslim who are afraid that their cultural heritage losses its identity and characteristics in the presence of a dominant western culture.

The national cultures seem at a surface level to start melting and be more homogenizing with Anglo-phase western culture beginning to dominate [20]

Some people regard globalization as a fruitful phenomenon, making the world more connected and informed than ever before. They look at it as a novel source for optimism in the world. [21].

Schotte [22] states that “some people have associated “globalization” with progress, prosperity and peace.

Here the author completely agrees that globalization has advantages and disadvantages, as every pros have cons, and also there will have a great impact on the people, organization group, individuals and culture.

According to stromquist and Monkman [23] globalization “comprises multiple and drastic changes in all areas of social life, particularly economics and culture” whether it is negative or positive, the authors consensus on globalizations impact on life shows that it has become a critical issue with dramatic consequences, requiring more and more attention.

Anthons Giddens and Roland Robertson, who were some of the first author to write about globalization, have treated globalization, to some extent, similarly in terms of time-space compression.

According to Giddens [24] globalization refers to “the intensification of the world wide social relations which link distance localities in such a way that local happenings are shaped by events occurring many miles away and vice-versa”
In the above definition Giddens argues, that as though the world is very huge and has large geographical distance, it stills appers to be a small village under the conditions of globalization.

Robertson [25] states that globalization is “a concept which refers to the compression of the world and the intensification of consciousness of the world as a whole”

Waters [26] considers globalization as “social process in which the constraints of geography on social and cultural arrangements recedes and in which people become increasingly aware that they are receding”.

Held et al [27] states that globalization is a “process (or set of process) which embodies a transformation in the spatial organization of social relations and transactions assessed in terms of their extensity, intensity, velocity and impact —generating transcontinental or interregional flows of networks of activity, interaction and the exercise of power”.

Arjun Appadurai [28] define globalization as a process involving the movement of the world’s people, images, technologies, finance (trade, money, and capital) and ideas (practices concerning states and other institutional policies).

Globalization and educational policy

Policy making in education is much affected by the phenomenon of globalization.

Traditionally, policy has been produced within the authority of the nation-state. However, over the last two decades globalization has witnessed some challenges to such nation-state bound policy making in education [28].

To make it clear, globalization has resulted in the strengthened influence in policy terms of international organization such as the UN, the World Bank.

The decision of these institutions to varying degrees today shape and constrain the policy options for any particular nation-state. This leads us to acknowledge that globalization impacts education policy development and production around the world.

Educational policy was some time ago a mainly national affair. Nevertheless, within the wider context of globalization, education is regarded now as an international commodity [29] playing a remarkable mission in the global economy with investment in people, skills and knowledge [30].

Indeed, education policy is international due to the dominance of the global economy over the national politics [31].

Many studies have confirmed that there have been new education policies that introduce reform in curriculum, pedagogy and evaluation, seeking to boost competitiveness among nation-states. Examples of these reforms are engagement in international comparison of test performance, national curriculum and productive pedagogies.

Rizvi and Lingard [32] confirm that globalization has reformed and redesigned the educational policy terrain they argue that the process of globalization has deeply shifted and changed the ways in which education policies are developed implemented and evaluated as globalization has witnessed the reworking or nation-state.

Accordingly, educational policy is no longer determined by actors within the nation-state alone, but through various complex processes occurring globally.

In coping with globalization, green et al [33] discover five common goals among education policies of the developing countries studied. These goals are as follow :

- The achievement of high quality mass education
- The planned expansion of secondary, technical and higher education.
- The development of communication skill
- The equitable expansion of education
- The awareness of the hidden curriculum of educational institutions to national unity and cohesion.

Considering these five goals in depth leads to a conclusion that some education policies in developing countries have seen responsive to the global requirement with a focus also on national and local problems.
Roberson et al [34] argue that policy making must be “grounded both in an understanding of local and in more innovative global strategies”.

Conclusions:

Change in educational policy is highly desirable due to new challenges in globalization like
- The world is changing rapidly on the basis of lightning achievements in science and technology.
- The information society makes the world closer;
- Production reduces dependence on natural resources and services labour increases
- Interdependence is increasing and cooperation and competition are needed to resolve national and global problems.

To develop a good educational policy a strategy has to develop concerning for management education development
- To renovate the management system both in the sector and the institution
- To develop teaching staffs in terms of quantity and quality and renew the teaching methodology
- To continue completing the network of national education
- To promote socialization of management education
- To reform training objectives, contents and programs
- To expand international cooperation in management education to heighten professional skills in training and scientific research.

In this paper, it has not been potential to develop a full or even a comprehensive, depiction of globalization as it may affect management and educational policy. Although constrained in terms of scope, challenges and factors, the author has nevertheless comprehended that the demand for management education in Asian, American countries, Chinese, Australia, Europe and India is rising day by day. Research into these issues could influence thinking on how education might be re-structured and renew in order to gratify our hopes and desires, as educators, for an ideal future in the knowledge-based world.

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