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BUSINESS EDUCATION IN PAKISTAN
Growth, Problems and Prospects

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Abstract

In present age of knowledge economy, professional education has gained unique importance. The post World War II developments in shape of unprecedented growth of trade and industry have caused proliferation of business education throughout world beside progress in other areas like engineering and medicine. Resultantly, business education achieved great value. The importance of business education has been further increased in developing economy like Pakistan, which has still long way to reach the status of developed economy.

An overview of the growth of the business education in Pakistan has been presented in this study through highlighting its problems and future prospect. For this purpose, a non-systematic narrative review was carried out in such way that a thorough review of the existing literature on business education in Pakistan was done. It has been found that the roots of existing business education system in Pakistan lies in the educational system introduced by British in past. The present system of business education in Pakistan has gradually grown in past sixty four years, in such way that it has experienced a paradigm shift in 21st century, when the Government of Pakistan invested huge amount in education sector for development of country through knowledge and technology. It is still facing different inherited problems which are either from the institution or government side. There is a need of a more dynamic approach for full development the business education system in country through joint collaboration between society, business education institutions and government. Once such system will be developed then the requirements of business sector will be successfully fulfilled and country will get a strong base in commerce, trade and industry, which will ultimately develop the country as whole.

Key words: Business education, professional knowledge, economic development, Indian subcontinent, Higher Education Commission, faculty shortage, budgetary constraints, university industry linkage, research & development
Introduction

Education is a systematic process of imparting knowledge through the improvement of knowledge & expertise in a particular area. It provides the tools to the users for getting things done in much organized way. Among the different forms of education, the professional education is of unique nature, as it helps the people in gaining professional skills and behaviour, beside their basic knowledge. Professional education, thus guides people to get the means of living in present age of scarce resources and cut throat competition by availing opportunities and dealing threats.

The post World War II developments have realized the importance of business education, beside the other professional education areas like engineering, medicine etc. As the post World War II era has been characterised by an unprecedented growth in trade and industry with remarkable proliferation of both manufacturing and service sectors (Geiger, 2004) resultantly business education became an important segment of the Human Resource Development spectrum, as it had a great potential for adding value to different business processes, through contributing in the national economy and improving the quality of life of the people as whole (Poornima, 2001).

Business education both in Pakistan and India has grown gradually in the last 64 years of independence in such way that its origin can be trace back to the time when British formed East India Company during 17th Century in the Indian subcontinent and made a base for systematised formalised type of business in the area. The formation of such type of business had created the need of building educational institutions which can impart knowledge and expertise to the people in running new forms of businesses (Patil & Popker, 2001). In this regard the British government started establishing universities in the different parts of Indian sub continent during 19th century. These universities were set up according to the model of London university of United Kingdom (Vash, 1999). After the creation of Pakistan, the business education remained an unexplored area, primarily because Pakistan didn’t had strong industrial or business base due to unequal allocation of resources at the time of partition but with the passage of time, the country experienced growth in its different sectors, so the importance of business education was realised (Afzal, 2005) in such way that business education experienced a real shift during the first decade of 21st century, when the former University Grant Commission was reconstituted as Higher Education Commission of Pakistan, in 2002 and Government of Pakistan realised the importance of education in changing world economic order. It was the time when huge amount of budget was allocated to the education sector of country with an aim to fully equipped the people with education and prepare the country to meet the challenges of new millennium (Ali & Wajidi, 2008; Universities Building Pakistan, 2011).

The present study has explored the nature and growth of business education in Pakistan by discussing the different problems faced by business education in Pakistan. A non-systematic narrative review methodology was adopted for this purpose. In fact narrative technique is less structured way of gathering information about any phenomenon (Kumar, 2005). The non-systematic narrative style of enquiry is one of the basic qualitative techniques, which gives the researcher a freedom to collect information about the topic under study without any constraints (Ridenour, Benz, & Newman, 2008). It has been found that existing business education system in Pakistan has gradually developed with passage of time in such way that it can be traced back to educational system introduced by British Empire in 19th century. In the last part the future prospects of business education in Pakistan have been highlighted. The knowledge about the nature, problem and prospects of business education in Pakistan will help the readers to understand the present status of professional education in Pakistan. This understanding will help in finding possible solutions to the problems faced by the business education system in country and in getting new ideas to further improve it.

Business Education in Indian Subcontinent

It is important to discuss the business education system of the Indian Subcontinent, because the roots of existing business education system of Pakistan lies in that system. During 17th century, British invaded Indian sub continent and formed East India Company. With a total western origin, the British entirely changed the system of Indian sub continent and introduced changes in each and every sphere of life. They introduced new forms of businesses, which were based on standardised system of rules and formal procedures of British government (Gardner, 1990). Although the East India Company was not interested in educating people of Indian sub continent, yet they realised to the local people that if they have to survive then they have to adapt to the needs of new system. Therefore different efforts were started for imparting education in region and for improving people’s learning.
In the 17th century, the educational activities of Christian missionaries promoted general education in the region. In same way the 19th century Semi Rationalist Movement also promoted regional education in such a way that Hindu schools and colleges were established in Indian subcontinent. Like Hindus, Muslims also established colleges for promotion of education among Muslims, like e.g. Anglo Mohammedan Oriental College was established at Aligarh in 1875 (Patil & Popker, 2001). In 1854, the Court of Directors made certain educational reforms in order to make a comprehensive system of education in Indian subcontinent. These reforms were incorporated in the educational despatch of 1854 and were issued in the name of Sir Charles Wood. These reforms acted as instrumental to promote mass education in Indian subcontinent and to introduce the modern Indian languages including English as mediums of instruction and to promote secular education in the region (Aziz, 1965). After few years the Indian Education Commission of 1882, gave considerable attention to vocational education, so that the youth of Indian subcontinent can get professional skills in such way that they can later on earn for their living (Ghaffar, 1974).

In order to introduce formalised higher education, various universities were established by British government in different regions of Indian subcontinent in such way that three universities were established, in the year 1857, i.e. University of Mumbai, University of Madras, University of Calcutta, and later on two more universities were formed i.e. University of the Punjab in 1882 and University of Allahabad in 1887 (Biswas & Agrawal 1986). These universities primarily acted as examining bodies but with time development occurred in the university functions. The university Commission of 1902 recommend that secondary schools had to be recognised by universities. Furthermore the Indian Universities Act of 1904 established the territorial jurisdictions of the universities. This was done to make strong relationship between universities, colleges and schools in the region (Aggarwal, 2003; Yadav, 2002).

In this process of making university and college linkage in 1904, Indian Government Resolution on educational policy was passed which had specific suggestions for including of vocational education in the region. It introduced commercial, industry, agricultural educational courses in schools (Aziz, 1965). Like the Indian Government Resolution of 1904, the Hartog Committee of secondary education in 1927 also stressed the commercial and industrial education especially for the boys (Ghaffar, 1974). In the last years of British a central Advisory Board of Education Report, which is also known as Serget Report of 1944 thoroughly examined all aspects of Indian education and it emphasised that the school leavers should receive professional and vocational education, which will fit them to directly enter any occupation. This report suggested two types of schools, i.e. the academic high schools and technical high schools. The technical schools included courses related to commerce, and business (Aziz, 1965)

Being part of the educational system the earlier business educational institutions focused on the commercial side, by aiming to fulfil the need of colonial administration as their graduates joined either the colonial system of bureaucracy or they remained employed within the different businesses set by the British traders in the Indian subcontinent. It was the time when terminology of “Babu” or clerk emerged, as the graduate of the different universities of Indian subcontinents joined the different sectors of government for serving the British Empire. The British initiated secondary level commerce education in different regions of subcontinent, which focused the secretarial practices and business communication. The first Indian business education institution was formed in 1913 in Mumbai and was soon followed by another in Delhi during 1920. These institutions imparted knowledge and skills in Banking, transportation, accounting and trade (Gupta, Gollakota, & Sreekumar, 2005)

As the colonial education system didn’t had the psychological, economic or social potential to confront the powers that the local population required (Rehman, 1999) and it seemed that the colonial education was mainly confined to some of the educational functions of pre modern era by focusing on teaching and evaluation of cost of research by ignoring the important role of preparing leader for the country and just focusing on their own business goals (Akter, 2005) therefore certain communities didn’t prefer to join the British educational system and remained in their own educational institutions like madrassas and temples (Rehman, 1999).

Growth of Business Education after independence

Due to unequal allocation of resources at time of partition, Pakistan had no elaborated system of business and commerce education in beginning, as this country had received a very weak system of business, trade and industry. Therefore the present concept of business education in Pakistan has actually emerged as a result of the 64 years of gradual development in trade, industry and in the overall businesses, which realized the need of development of business education system in country.

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To promote commerce and business education in the country, the Government of Pakistan’s Committee on Commerce and Education publish its report in 1952, and emphasised the need of introducing commerce in schools. Furthermore government training institutes were established on recommendation of same Committee on Commerce and Education in 1960 (Zaheer, 1968). From that time till now at intermediate level there were two main categories of institutions imparting commerce education in country i.e. Government Commerce Colleges and Government Higher Secondary Schools. Furthermore there the Government commercial Training institutes also work for the imparting commerce education in country (Afzal, 2005).

The lack of governmental involvement in education sector was visible from the fact that after independence in 1947, there was no organized system for technical education in Pakistan, and students would go directly to industry after completion of their school or college education. In 1947, Pakistan had only one university, i.e. University of Punjab, which was both teaching and examining body, later on University of Sindh, Jamshoro was built in 1947, and subsequently University of Peshawar was established in 1950 and University of Karachi in 1051 (Ibrahim, 2003; Keay & Karve, 1964).

The Objective Resolution of 1949, the constitutions of 1956 & 1962 have no clear guidelines for higher education in country. The constitutions of 1973, however stressed the importance of higher education in Pakistan, which resulted in passing of University Grant Commission Act of 1974 & Centers of Excellence Act of 1974. These Acts promoted the growth of higher education in Pakistan. The business and commerce education was first time addressed in National Commission on Education, 1959. Furthermore in the second educational plan of 1960-65 about 50% of recurring and non-recurring expenditure in public sector was reserved for technical education. It was mentioned in plan that with expansion of industry and trade, there would be need of trained people in fields if commerce and business. The forth educational plan of 1970-75, no importance was given to commerce education. However, with the gradual growth of business and industry in Pakistan, attention was given by the Government of Pakistan to the different aspect of business and technical education. But due to persistent political unrest and ever changing government set up, these all educational plans and polices have not been fruitful in development of business education in country (Isani Ali , 2001; Afzal, 2005). The real effort in the promotion of higher education in business education was done by Higher Education Commission established in 2002. The Higher Education Commission established a standardized system for proper functioning of universities of Pakistan. It has issued a list of recognized business education institutions in Pakistan and has issued proper procedures for admission, courses and faculty selection (Khan, 2006). It is the efforts of Higher Education Commission that currently there 132 universities in country (List of HEC recognized Universities, 2011).

Among the pioneer institutions, the Hailey College of Commerce, University of Punjab, Lahore, (established in 1927) and Institute of Business Administration, Karachi, (established in 1955) are very famous. The Hailey College of Commerce only offered programs in commerce at bachelor level; therefore (IBA) Karachi was the first to offer both Bachelor and Master levels programs (Kaleem Ahmad, 2005). Later on other institutions were established with passage of time, like e.g. Quaid-e-Azam College of Commerce, University of Peshawar was founded in 1962, the Department of Business Administration was started in 1974 at Gomal University, D.I.Khan, and Lahore University of Management Sciences, Lahore was established in 1984 etc.

Business Education in Pakistan got competitive since 1992, when there were about seventy six universities, which were offering programs in Business Education (Kaleem Ahmad, 2005). The business education institutions in Pakistan offer Bachelor as well as master programs. The bachelor programs include Bachelor of Business Administration (BBA) of two years & Bachelor of Business Administration Honours (BBA Honours) of four years. While the master programs include Master of Business Administration (MBA) of two years, Master of Business Administration (MBA) of one & half years, and Executive Master of Business Administration (EMBA) of one year. Apart from this some of the institutions give Master of Philosophy (MPhil) as well as Doctor of Philosophy (PhD) degrees in Business Administration (Khan, 2006).

Problem of business education in Pakistan

Despite of growth, the business education institutions in Pakistan still suffer from different institutional as well as governmental problems. Thus majority of them cannot follow the international standards of business education (Ali & Wajidi, 2008). The institutional problems of business education institutions includes lack of highly qualified professional teachers specialised in different business areas, lack of link between industry and academia, lack of specialised teacher training in business studies, lack of facilities for good quality
research, lack of corporate leadership, no standardised
dowment evaluation system, slow system of
teacher’s promotions especially in public sector, in
adequate remunerations especially in private sector,
faculty work overload, etc (Areola, 1998; Khan, 2006;
Rana Saba, 2008; Ali & Wajidi, 2008; Haider Zubair,
2008). The problems from government side include,
inadequate government investment, politicized
curricula, corruption in educational sector, frequent
educational reforms (Hathaway Robert, 2005; Memon,
2007). The brief description of problems both from
institutional as well as government side is given below:

Lack of highly qualified professional teachers: Though
the Government of Pakistan has fixed considerable
budge for the faculty development of higher education
institution throughout the country but still the business
education institutions faces the shortage of highly
qualified professional teacher have not only strong
academic back ground in business and commerce but
also have experience in corporate sector, so that they
can give the real image of business education to
students.

Lack of Linkages between Industry and Academia: In
Pakistan there is lack of linkages between industry and
academia and this is really a serious problem
hampering the performance of business educations of
country. It is the requirement of business education that
the students should also learn practical techniques and
should built skills related to commerce, trade and
industry. For which they have to practically visit the
business sites and locations. If there are fewer linkages
between industry and academia then they will not be
able to get practical exposure.

Lack of Specialised Teachers’ Training in Business
Studies: There is no specialised teachers’ training at
university or college levels for the teacher of business
studies. Therefore the teachers only relay on their
previous academic back ground and have no updated
knowledge of the new business practices. Furthermore,
the teaching skills of the teachers are also not updated
as a result their teaching quality remains affected.

Lack of facilities for good quality research and presence
of work load among teachers: In order to overcome
the gap between theory and practice, there is a need of
quality research. But in the business education
institutions of Pakistan, especially in private sector there
are no facilities for doing good quality research; there
are no properly maintained libraries, with non updated
data bases and no extra remunerations for researchers.
Furthermore teachers are given too many courses in
each semester, which is perceived by teachers as extra
burden, which ultimately hampers their teaching
effectiveness.

No standardised performance evaluation system: The
lack of standardised performance evaluation system
has really demoralising effects on the academic staff.
The public sector universities follow the old annual
confidential report technique, in which the performance
of teachers is evaluated on annual basis by their
immediate boss and this evaluation is one sided in such
way that no feedback is given to the teachers. Often
this evaluation is used for transfer, promotion and firing
of teachers and is not used for teaching improvement
and quality enhancement purposes.

Lack of government investment: The Government of
Pakistan has increased budget for education sector of
country after the formation of Higher Education
Commission in 2002, but still it is considered that the
government investment in education sector is low. It is
strange to know that public expenditure to education
sector has declined over the previous five years from
2.7% of GDP in 1995-97 to 1.8% of GDP in 2001-
2002. Furthermore over 95% of educational budget is
spend on salaries and office expenses and less amount
is left for research and development (Shami & Hussain,
2005). Furthermore in Second Five-Year Plan of 1960
to 1965 total budget of 78 million Rupees was allocated
for school education in which only 18 million Rupees
budget was actually spent. Similarly, in the Seventh
Five-Year Plan of 1988 to 1993 total 10128 million
Rupees budget was allocated for school education in
which only 6399.17 million Rupees budget was actually
spent. These figures show that right from the past there
was no proper mechanism for the budgeting in the
education sector of Pakistan (Siddiqui Shahid, 2011).

Frequent educational reforms: Since creation of
Pakistan, total six educational policies have been
passed. During 1947 All Pakistan Education conference
was held, which formulated educational policies for
country. During 1959, a commission was established
known as Commission on National Education, which
worked for the promulgation of educational policies in
countries. This commission passed different polices in
country, which include, Education policies for year
educational policy has brought new reforms, which
were not completely followed by the educational
institutions due to lack of implementation mechanism.
The ever changing educational reforms have negatively
affected the performance of teachers, by forcing them
to follow each year new rule and procedure.
Business Education prospect in Pakistan: Actions for change

After having detailed overview of the problems faced by the business education in Pakistan, the present part will discuss the prospect of business education in Pakistan. Furthermore some proposed suggestion will be also discussed for the improvement of present status of business education in Pakistan and for overcoming the problems faced by business education in country.

As earlier mentioned that the country experienced a paradigm shift in it higher educational system after formation of Higher Education Commission in 2002 because the formation of the Higher Education Commission in 2002 has heralded a revolution in higher education sector in Pakistan, it has attended more in eight years since its establishment than what has been achieved in the last 64 years of Pakistan independence. Higher Education Commission laid down a comprehensive strategy to develop faculty, improve access to education and research, ensure excellence in learning and relate the education to the national priorities of country (Universities Building Pakistan, 2011).

Following are some of the proposed suggestions for the improvement of present status of business education in Pakistan and for overcoming the problems faced by business education in country;

Establishment of partnership with business sector: The business education institutions in Pakistan should try to establish partnership with business sector in such way that they should provide a pool of well trained and talented personnel to business sector and in return ask for investment in the business education institutions. In such way only business education sector will be provided a source of fund but also strong linkages will be formed between business sector and academia.

The Network campus: The business education institutions should use hybrid learning mechanism by not only imparting face to face education but also online and distance education in order to cover more area and to impart business education to student regardless of geographical position. In this way more and more student will get technical education and will contribute towards the development of their country.

Embrace diverse programs and courses: The business education institutions should try to include diverse number of programs and courses in field of business, information technology, commerce, trade and industry; so that it can train their students in each and every aspect of business so that the diverse needs of business sector are fulfilled. Furthermore when diverse programs will be offered then more students will be enrolled and thus revenue of institution will be increased.

More focus on research: The business education institutions should focus more on research and development in order to overcome the gap between the theory and practice. Furthermore it can only provide technology and updated skills to business sector, once it is engaged in research & development activities.

Introduction of modern techniques of evaluation: The business education institutions should try to formulate and adopt new techniques of performance evaluation of the academic staff. These techniques should cover broad range of performance indicators, which are evaluated through wide variety of techniques including both quantitative as well as qualitative techniques. Furthermore both the students as well as colleagues along with boss should be included in this process of evaluation. And in the end feedback should be given to the academic staff members for improvement of their performance and overcoming of weaknesses.

Introducing teachers training: The business education institutions should try to train their teachers on regular basis by imparting them latest knowledge about business management. Furthermore, the teachers should be given special training in teaching and research, so that their quality of instruction is improved and they can produce good quality research work, which can benefit not only their students but also the people outside the world of academia.

Conclusion

Business education is an important type of professional education, which aims at preparing managers and executives for the future. The omega events of 20th century have caused an immense proliferation of business education throughout the world. The roots of modern business education system in Pakistan can be traced back to the educational system introduced by British a century ago. It has passed through different stages of growth in such way that in the beginning of 21st century it has experienced big changes.

The present paper concludes that the existing the business education system has the abilities and potentials for improvements, yet the system is reluctant to implement changes because of prevalent lethargic behavior in the market place. There are other impediments like absence of proper reward and
appraisal system for faculty, lack of guidance for faculty and students, less facilities for research, ever changing educational policies, fewer linkages between industry and academia, red tapeism, corruption, faculty shortage, etc, which doesn’t allow the smooth and steady functioning of the business education system in Pakistan. The business education system in Pakistan can be improved through taking effective planned initiatives like making a strong link between universities and industry, allowing nationwide accessibility of education through introduction of diverse programs, training teachers according to existing educational needs, allocating proper budget to research, and devising proper mechanism for teachers’ evaluation and compensation. This all should be done by keeping in mind not only the local requirements of business education as well as also keep in mind the international standards about the business education. There is a need of integrated system in which the government work together with the educational institutions by giving chance to the people, so that in broad manner all of the problems of the business education system are identified and then multi facet development strategies are applied not only to overcome the problems but also to further improve the system for the development of country as whole.

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