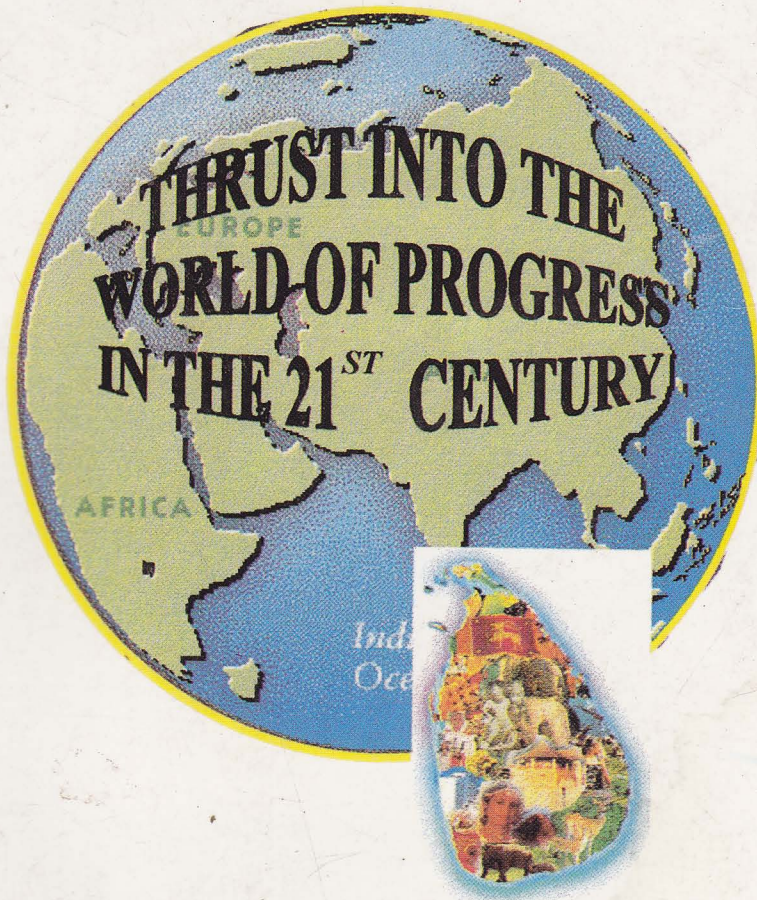


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**GOLDEN JUBILEE
OF THE RENEWAL OF INDEPENDENCE IN 1948**

50 YEARS

Development of Management Studies in Modern Sri Lanka



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By

Gunapala Nanayakkara

to mark 25 years of his service
to university and management education
1973 Silver Jubil re 1998

1998 Golden Jubilee of the Renewal of Independence in 1948

50 YEARS

Development of Management Studies in Modern Sri Lanka

By

Gunapala Nanayakkara

To mark 25 years of his service to the University
of Sri Jayewardenepura and Management Studies
in Sri Lanka as Assistant Lecturer 1973, Lecturer 1979,
Senior Lecturer 1986, Professor 1996, and
Director of Postgraduate Studies 1981-98

**1973 Silver Jubilee 1998
25 YEARS**

About the Author

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Development of Management Studies in Modern Sri Lanka

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Foreword

An attempt to develop a chronicle of management studies in Sri Lanka is, indeed an arduous one. It not only requires an intimate knowledge of the many events that have unfolded over the years, but also the ability to treat them as a cause-effect nexus. This difficult task is ably handled by Prof. Gunapala Nanayakkara who, by virtue of his long, distinguished University career and his characteristic analytical prowess, is most qualified to undertake such.

The publication of this comprehensive essay on the Development of Management Studies in Sri Lanka, marks 25 years of Prof. Nanayakkara's service to the nation as an outstanding academic. Having entered the University system in 1973 as an Assistant Lecturer of the University of Sri Jayewardenepura, in 1996, he became the Professor of Management Studies of the Postgraduate Institute of Management (PIM). From 1980 onwards he has been a driving force, in the sphere of postgraduate education in management which decisively spearheaded the PIM to its present state of visibility and vanguard status as the nation's School of Business.

Prof. Nanayakkara's commitment to Management Education in Sri Lanka, in my view is best exemplified by his resolve to remain in the country – a choosing of not many sought-after academics, and dedicate himself to postgraduate education, in particular through a multitude of research publications and extensive management training and pedagogy.

Prof. Nanayakkara has championed the cause of adaptive management practices in Sri Lanka. The widespread and uncritical adoption of Western Management approaches has perhaps made Prof. Nanayakkara a vocal critic of such modes and a steadfast researcher of Management and Culture in the Sri Lankan context. The many culture-specific management themes Prof. Nanayakkara has launched through his incisive writing and provocative discourse have been accepted by management practitioners readily on occasion and with a measure of suspicion at other times. However, at all times, he has not failed to attract the attention of the managerial fraternity in this country, be it of the private or the public sector. This, of course is a direct reflection of Prof. Gunapala Nanayakkara's undisputed status as an academic who maintains the critical balance between theory and practice in management.

Prof. P Wilson
Vice Chancellor
University of Sri Jayewardenepura

Afterword

Management education has always been under fire and will continue to be so for many years to come, simply because it is expected to instantly generate people with insight into tomorrow's problems, a task which is, no doubt, a challenge to any educational Institute anywhere in the world. The more independent countries with a clearer direction of overall strategies, overcome the problem by making continuous adjustments to the objectives as well as methods of their education, leaving the less developed countries such as ours the easy option of following them without taking into consideration the local realities.

At present the void between the employers' demands on managerial skills and the actual competence possessed by those who follow management education programmes at various levels has become enormous, compelling all concerned to re-examine their objectives and expectations.

In this context, the issues this paper has most boldly and succinctly raised and highlighted pave the way for a frank discussion between the industry and the academics, between the students and the academics and also among the academics themselves. Professor Nanayakkara has very clearly identified the necessity for University teachers to practise management before it is taught, a significant departure from the present education system.

The employers will be more than glad to see this suggestion coming from the Postgraduate Institute of Management which has pioneered management education at postgraduate level long before the industry commenced demanding for professional managers and created an awareness and liking for MBA among CEOs. The tremendous contribution PIM has made over the years, and the confidence it has won among the industrialists make the employers believe that it will, in future act as the path finder in the direction suggested in this paper.

Professor Gunapala Nanayakkara, who is completing 25 years of service as an academic, has expanded his interests much beyond the limits of a teacher, into the arena of research in management education, methods of teaching, bridging the gap between the industry and the Universities and building regional and global cooperation in management education. We are confident that he will lead the university community to face the challenges he has identified in this paper, marking the dawn of a new era in management education in preparation for the 21st century.

Rienzie T. Wijetilleke

***Managing Director & Chief Executive
Hatton National Bank Limited***

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DEVELOPMENT OF MANAGEMENT STUDIES IN MODERN SRI LANKA

1. An Overview

Management, as an academic subject, is essentially concerned with the science of the art of reaching important goals at individual, organizational or national level. Educated in the science of management, modern managers operating in the globally competitive business environments drive SBUs to achieve corporate missions. They adopt TQM with MBO, deliver products JIT while CFTs provide services, and await EPS to accelerate.^a The world of management has progressed much faster than the progress that Sri Lanka has been able to realize in the development of management infrastructure in such areas as systems and procedures, products and markets, production technology, and skills and values of people in this country. Therefore, the continuation of Sri Lanka's uncritical dependence on Western sources of management know-how should be examined, and the role of management education and research in national development should be recognized by the policy makers as a matter of priority.

** This paper will be a chapter of a volume to be published by the University Grants Commission to mark the Fiftieth Anniversary of Independence.*

^a SBU = strategic business unit; TQM = total quality management; MBO = management by objectives; JIT = just-in-time; CFT = customer first teams; EPS = earnings per share.

Over the last three decades, the study of Management and Commerce has become increasingly popular among students in Sri Lanka. This is true of students at the levels of high school, technical, university undergraduate and postgraduate studies. In 1965, only 570 or 1.8% of G.C.E. (A/L) applicants came from the Commerce stream. By 1982, the number of Commerce students had risen to 42,800 or approximately 30% of G.C.E. (A/L) applicants. This relatively high level of interest has continued over the last fifteen years while the total number of Commerce students sitting the G.C.E. (A/L) examination in 1996 rose to 72,000. Popularity at the school level is naturally extended to the university level. Accordingly, the annual enrolment in Management and Commerce at university undergraduate level rose from 50 in 1966/67 to 800 in 1981/82 (from 1.5% to 17% of total intake) and 2000 in 1996/97 (17.2% of total intake). Postgraduate study in Management has also become very popular in recent years: the universities could accommodate only 40 in 1981, and now they admit about 300 per year.

As a field of study, Commerce and Management has become one of the most competitive disciplines for university admission. Judged from the minimum marks required to enter a given stream of study, this field has gained much popularity in the last decade or so. For example, the minimum marks required in this field in 19981/82 were the lowest among all the disciplines. However, by 1994/95, according to the cut-off points for the Colombo district, Management was placed the third most competitive subject, and two years later, 1996/97, Management required 286 minimum marks which was the highest in all disciplines.

Sri Lankan universities have produced, during the 50 years of independence, approximately 7,000 Management graduates, 8,000 Commerce graduates, and over 1,000 postgraduates in Management studies (Ph.D, MBA, MPA, and Diploma). As a percentage of the total number of

graduates that all universities in Sri Lanka have produced during these five decades, which is 134,350, Commerce and Management account for 11.4% at the bachelor's degree level. A noteworthy feature of the trend of graduate output is that 37% of the total number of Commerce and Management graduates have joined the labour force only during the last decade.

Since independence, the education system has played a leading role in social change, particularly in promoting education for women. Traditionally, Commerce and Management, like engineering, was meant primarily for male candidates. In the 1960's, females in Commerce and Management study programmes in universities were less than 20 per cent. The place of women students in these study areas rose to 32% in mid-seventies and reached the current plateau of 41% as early as 1982.

The larger society in Sri Lanka has not yet adequately recognized Management as a distinct profession based on disciplinary education and training. Therefore, non-Weberian, paternalistic personnel practices pervade particularly in the private sector. While the demand for Management graduates is imperfect on the one hand, universities have not been perfect on the other, in producing the type of Management graduates the employers would like to hire. The gap between education and the job market is now causing unemployment among graduates, an addition to underemployment that has existed among them for sometime.

Despite the fact that the number of universities has dramatically increased, educational facilities in them for Management and Commerce students have not expanded to accommodate the ever increasing number of students eligible to enter universities. Therefore, technical colleges are called upon to play a larger and more meaningful role especially in view of

their employment after studies. The response of technical colleges, both quantitatively and qualitatively, has been rather disappointing.

In recent years, the University Grants Commission has given serious thought to the development of university teaching staff in Management and Commerce. The total staff strength is about 240 of which 40% are concentrated at the University of Sri Jayewardenepura, the leader in this discipline. Again, about two-thirds of the total number are junior-level lecturers who require advanced research and professional qualifications. Being a relatively younger discipline and due to market competition for qualified persons, universities have to make an additional effort to recruit/develop a strong teaching faculty, and thereby, improve upon the current teacher/student ratio. The Commission's effort has been to utilize local resources and opportunities to upgrade the teaching and research capabilities of faculty members through special projects.

Another significant feature of Management education in recent years has been the international exchanges of personnel. In 1981, the University of Sri Jayewardenepura experimented with an exchange programme with two Canadian universities (Carleton and Ottawa) through the help of CIDA. While the project continues with success, a similar project has been in operation since 1982 between the University of Sri Jayewardenepura and University of Leuven, Belgium. These projects have enabled the Faculty of Management Studies and Commerce at Sri Jayewardenepura to promote her postgraduate programmes and training of academic staff abroad.

Retention of qualified and competent teaching staff has been a problem since the 1970s. The Faculty of Management Studies and Commerce at Sri Jayewardenepura alone has lost to universities overseas about one dozen of well qualified senior staff members.

Creating an environment for the academics to be committed to the university seems to require, inter alia, (a) promotion of postgraduate study and research through a strong Postgraduate Institute of Management, (b) fruitful interactions between university faculties and business community/government, (c) meaningful relations between universities in Sri Lanka and abroad (d) systematic regulation of teaching, research, and publication requirements of teachers, and (e) provision of a physical and financial environment of better quality for teachers' work within the universities.

Postgraduate Management education in Sri Lanka is a more recent phenomenon. In a period of sixteen years (after 1981) the organizational and disciplinary developments have signaled a sense of importance and urgency assigned by the business community, government, and related agencies to the development of Management study, training, and consultancy practice. The Postgraduate Institute of Management (PIM) was set up as a result, in 1986, as an affiliated body of the University of Sri Jayewardenepura. While two universities conduct courses of study at postgraduate level, the PIM continues to be the center for advanced study & research. Of the total number of masters degrees and postgraduate diplomas awarded by the universities in Sri Lanka to date, over 70% has been by the University of Sri Jayewardenepura/Postgraduate Institute of Management.

Management education in our Universities and technical colleges has been a point of open discussion and debate for quite some time. The debate has revolved around issues relating to the numbers produced, quality of output, and composition of output. In the more recent decades, due to transformations in business firms and public sector restructuring, the patterns of demand for professional managers have changed significantly. Universities elsewhere have responded to local and global changes through

organizational adaptation and introduction of market-driven innovations into programmes of study as well as teaching methodology. However, the faculties of Management and Commerce in Sri Lankan Universities have been aloof to the changing demands on them and as a result, have become marginalized institutions in the processes of modernization, and professionalization of organizations.

2. Management Education and National Development

Management is a dynamic force. It is an activity which provides the direction necessary to acquire and combine resources into a productive organization. The progress and development of a society largely depend on the dynamic character of Management which provides the lifeblood for the basic societal entity of 'organization.'

In his sociological analysis of modern organizations, Amitai Etzioni has said that most of us are born in organizations, educated by organizations, work for organizations, and spend most of our time paying, playing, and praying in organizations. Truly, man is in the centre of the management process. Management operates through the human factor which regulates the use of all other factors of production. Fortunately, Management is increasingly interpreted as a matter of human behaviour which is a function of knowledge, skills, values, and attitudes of the individual and his environment. Educational programmes for ensuring an adequate supply of effective managers is an important element in the overall human resource development effort of any nation.

The quality of a nation's managerial community determines, on the one hand, the efficiency and effectiveness of its productive systems, and on the other, the welfare of employees in organizations - career development,

work satisfaction, etc. Education in Management is a sine qua non for the development of managers with quality. A study of the background of 813 managers in Sri Lanka showed that only about 12% of them had university education related to Management or Economics.¹ Private sector managers had much less exposure to this type of education. Sri Lankan education system, despite all its great achievements is yet to take significant steps, and leap-frog where necessary, in the area of Management education, training, and research.

The field of Management is about the study of (i) fundamental management processes such as planning, motivation, communication, team-work and decision-making; (ii) basic functional fields such as marketing, production, administration of personnel and finance; (iii) basic tools of management such as methods of work simplification, cost-benefit analysis, statistical and mathematical applications in business situations, use of computers, and methods of investigation and research; and (iv) environment of organization including socio-economic, political, legal, technological, international components of it.

Management education covers an interesting variety of life-skills. Traditionally, they are categorized as conceptual, interpersonal, and technical. Recent curricula reforms in Sri Lanka have chosen to emphasize six core skills for managers: (i) diagnostic skills, (ii) operational skills, (iii) relational skills, (iv) communication skills, (v) development skills, and (vi) self-management skills. These skills have now been incorporated into the MBA first year programme at the Postgraduate Institute of Management.

The field of Management can also be viewed from the level of Management in organization, such as top level, middle level, and lower level, according to which the content and depth of education would vary.

One could categorize the content in Management into educational vs. training & development or long-term vs. short-term activity as well.

Management and Commerce are two key terms which seem to confuse many. Historically, Commerce as a discipline grew first in Great Britain as a consequence of the industrial revolution in Europe. Modern industrial development in North America later conceived this field, quite appropriately, as business administration; and business in government was termed public administration.

Attempt is made often to distinguish between Management and Commerce by suggesting that Commerce is (or should be) more concerned with trade, distribution and auxiliary services such as transport, insurance, and banking. In practice, many Commerce programmes in our universities tend to emphasize areas like accounting, banking, and economics of trade. Management is more concerned with what happens in organizations, whatever objectives they pursue. In addition to the study of various processes in organizations, Management also has concern for functional areas such as production, small business, finance (vs. banking), marketing (vs. economics of trade) etc. At the universities, students show preference for the study of Management while Commerce is very often the second choice. Time has come for higher educational institutions to review the curricula in these disciplines, probably with a view to integrating Commerce with economics at the university level, and giving a more vocational orientation to courses in Commerce at the technical level. Thus, duplication can be eliminated and Management could be given due emphasis.

While the University of Ceylon (Peradeniya) started in the late nineteen fifties teaching the subject matter as Commerce as a specialized branch of Economics, the Vidyodaya University (presently, University of

Sri Jayewardenepura) during the same era (1960) started courses of study leading to bachelor's degrees in Business Administration and Public Administration. Today, eight universities in Sri Lanka conduct degree programmes in Commerce and/or Management studies (Business Administration). However, only the University of Sri Jayewardenepura offers Public Administration as a separate discipline for a degree.

In Sri Lanka, the term 'higher education' is often used to cover education both at university and technical college levels. Therefore, we should briefly look into the evolution of Management education programmes at the technical level as well.

3. Management and Commerce Education in Universities

3.1 Objectives

In general, the universities in Sri Lanka have almost neglected a careful examination of what kind of objectives they should strive to achieve through Management and Commerce educational programme for students. This is probably true of many Commonwealth Universities: university handbooks refer to various objectives such as preparation for first job, preparation for general and specialized careers, and grounding in both general and professional education. The objectives are seemingly confined to public statements. For example, those universities which claim to give the student both a broad understanding of his social and economic environment and a basic knowledge of the structure of business often do not have general education requirements in the curricula to implement this objective. From the view point of the student or his employer what do we know about our educational objectives? What kind of employment or other careers are open to Management and Commerce students? What are

the qualifications common to many jobs and to what extent do the qualifications vary according to the job? Does Management and Commerce education meet common and specific qualities required from an employee? Empirical evidence about these types of vital questions is scanty not only in Sri Lanka but also in many developed countries.² Given the state of underdevelopment of Management education in Sri Lanka the lack of answers to such questions is really a depressing situation.

In 1982, after a careful analysis of educational programmes, the Faculty of Management Studies and Commerce at Sri Jayewardenepura formulated a policy of devoting 40% of subject content for general education and the balance 60% for professional education.³ The General Education subjects included Languages, Mathematics, Economics, Psychology and Sociology, Political Science, Geography, History, Logic, Religion, Philosophy, and Law. Objectives were identified for both general and professional education. The objectives of general education were to further the development of the individual as a thinking and feeling human being who,

- can find meaning in life, reflective of an underlying personal philosophy;
- has some understanding of the physical and socio-economic environment;
- can make the decisions necessary to cope with the demands of daily life;
- has the capacity to act as a responsible and intelligent citizen; and
- has some appreciation for the aesthetic aspects of life.

Professional education component of the Management education curricula would serve the following objectives:

- To develop the student's analytical and problem solving ability, as well as his or her capacity to learn from experience and to exercise good judgement;
- To teach the student the basic body of knowledge in the field of Management and Commerce and its applications in specific situations; and,
- To develop the student's awareness of ethical issues or value questions in Management and Commerce.

In pursuing these broad purposes it was the policy of the University to emphasize the preparation of student for a life-time career, more than the preparation for a first job. This implied the development of capabilities and awareness that the student can draw on immediately and throughout his or her career. It also implied that the responsibility for the student's learning of the details of the first job and standard practices of the organization rested with the employer as well as the student.

The policy also emphasized the need to provide the student with a breadth of training, rather than a depth in an area of specialization. This was not to imply that the student would not specialize at all, but to emphasize that training of students to become 'experts' in a given speciality was not a priority.

Over the years, these policy objectives have been gradually abandoned. The over-riding concern at the University of Sri Jayewardenepura and other Universities has been the offering of a "special" degree to an increasing number of students. Among these degree programmes, a distinction is maintained by way of introducing varied subject combinations, titles of courses, and unique degree terminologies.

With the adoption of open-market economic policies, organizations in business and government alike began to demand managers with leadership abilities such as making strategic and policy decisions, and abilities of synthesis. This challenge for universities was partly taken up successfully by the various postgraduate degree and diploma programmes that were introduced in the 1980s. The following learning outcomes expected from the MBA students of the Postgraduate Institute of Management illustrate the practical and the professional orientation of postgraduate Management education.⁴

- ❑ Learning the art and science of providing leadership, including strategic thinking, to business organizations competing in borderless environments;
 - ❑ developing an ability to think of problems in new ways such as integrative, and intuitive;
 - ❑ acquiring new values and skills of working with people particularly in groups and teams,
 - ❑ mastering the application of modern Management techniques for productivity and quality enhancement; and
- improving organizational and cross-cultural communication skills.

The University is so many things to so many different people or client groups. It can, of necessity, meet expectations of all only partially.

3.2 Education at undergraduate level

When Commerce as a specialized branch of study was started at Peradeniya in the late 1950s, it was open to full-time students who entered the Arts faculty. In contrast, the B.A. (Public Administration), and B.A. (Business Administration) at Vidyodaya were first introduced as part-time courses for executives, who entered the courses through an admission test.

Both general and special/honours degrees were available from the outset, i.e. 1960. The degree courses were conducted under the Department of Economics and Political Science.

In 1966, the Public/Business Administration degree programmes were reorganized firstly to make them full-time regular courses, and secondly, to admit students (both male and female) on the basis of G.C.E. (A/L) through the regular admission process adopted by the National Council of Higher Education (NCHE).⁵ The general-honours dichotomy was replaced with a new structure of four-year special programme having annual examinations. This model was copied from the American University System. The Department was split up and a Department of Management Studies was established in 1968. Name of the Degree was changed from B.A. (Business Admin.) or (Public Admin.) to Bachelor of Business Admin. (BBA) or Bachelor of Public Administration (BPA). In 1976 these names were revised again as B.Sc. (Business Admin./Public Admin.).

With the rationalization of university courses of study under the university reorganization in 1972, a Faculty of Management Studies and Commerce was set up at the University of Sri Jayewardenepura (then Vidyodaya Campus of the University of Sri Lanka) to conduct Management and Commerce programmes of study, in all the three media of instruction, from a single institution in the university set up. Student admission requirements were linked up with the Commerce stream in school. However, the Peradeniya University campus continued to allow students in the Arts stream to obtain the B.Com. general degree through the Dept. of Economics after 2 years of special study in the area. The concept of centralization of Management and Commerce degree courses at one university was changed within the space of a few years, and Vidyalkankara Campus at Kelaniya started a B.Com. degree programme in 1976/77.

At Kelaniya, the Commerce degree programme was under the Department of Economics (Faculty of Humanities) until 1980 when the Department of Commerce was established. Initially, the B.Com. degree instructions were available in both Sinhala and Tamil. In the late 1970s the Tamil stream at Sri Jayewardenepura and Kelaniya were abandoned, perhaps with a view to fostering the same at the University of Jaffna, where Commerce and Management studies programmes had just been introduced.

With the assistance of a programme of foreign aid, a Department of Industrial Management was set up in 1967 at the Faculty of Science of the Kelaniya University. This was a unique feature of Sri Lanka's development of Management education because it branched out from physical sciences. Industrial Management as a major subject was made available to undergraduates in science who wished to specialize in a practical, social-science discipline. The Department and the curriculum were gradually expanded, and a four-year special degree programme in Industrial Management was launched in 1985.

In 1978 when the university campuses were granted university status, Peradeniya University enlarged its B.Com. programme to a four-year duration, still catering to Arts students. Three other universities, Colombo, Jaffna, and Ruhuna (University Campus) soon started B.Com. special degree programme for Commerce stream students admitted through the Commission in separate Departments of Commerce or in the Departments of Economics. Thus, the organizational foundation had been laid in many universities by the end of the 1970s to admit a large number of students to a newly established discipline of Commerce and Management studies.

3.2.1 Trends in admissions

In the early years of Management education, the students admitted were adults who had executive experience. They had either Arts or Science background in their school education. The special admission test was abandoned in 1965/66 when the policy of admitting students based on G.C.E. (A/L) examination results was introduced. Students from both Arts and Science were admitted by the University on the basis of their preference and examination marks. However, the Management degree programme was open, at the beginning of the second year, to persons with substantial work experience and certain qualifications such as the Licentiate Certificate in Accounting and the Trained Teacher's Certificate. In the meantime, entrance to B.Com. degree programme was possible only through the Arts stream, and this policy continued until 1973 when the rationalization of programmes was carried out in a comprehensive manner. As a result, Commerce and Management studies were amalgamated and linked to the Commerce Stream of the G.C.E. (A/L) examination. Table 1 shows the patterns of admission since 1960/61.

It is interesting to note that the then Vidyodaya University, a "Buddhist" University governed by leading Buddhist monks during the first decade of establishment, took pioneering steps to launch degree programmes in Public and Business Administration demonstrating a vision about the needs of a society that was transforming itself from her pre-independence legacies into a modernized economy. It was a time that the colonial British model of University, from which the Western-educated elite in Sri Lanka's society sought inspiration for new ideas, passively discarded business education to a subsidiary level of polytechnical education. In fact, the birth of the study of Commerce and its professional core of Accountancy took place in the post-independent Sri Lanka at the technical colleges. As the patterns of admission to Management and

Commerce in Table 1 indicate, the two decades of post- independent era did not have a noticeable trend of admission to the university system. The decade that followed university reforms in 1972/73 witnessed the fastest growth of admission, and by the mid-eighties, the total had reached a maturity level of 18% of the total admissions to all disciplines. In terms of student numbers, Commerce and Management fell marginally behind Arts. Between 1960 and 1983/84, the University of Sri Jayewardenepura (the only University that offered Management degrees during this period) had admitted a total of 3,094 students to Management degrees alone, while the total admissions to the Commerce stream in all universities were 3,593 students.

Table 1: Admissions to Undergraduate Programmes 1960-1996/97

Year	Management	Commerce	Total	Admissions as % of Eligible	Admissions as % of Total Admissions
1996/97	1,135	824	1,959	9.4	17.2
1995/96	860	986	1,832	8.0	18.7
1993/94	624	829	1,453	8.5	18.1
1991/92	714	812	1,526	12.5	17.1
1986/87	386	583	969	17.7	18.1
1981/82	216	578	794	6.4	14.8
1976/77	151	200	351	-	10.0
1972/73	167	116	283	-	9.4
1966/67	48	0	48	-	1.8
1960/61	118	0	118	-	-

Source : UGC Statistical Handbook on University Education, 1982-1994; Unv. of Sri Jayewardenepura, Unv. of Colombo; Unv. of Kelaniya

By the 1980s, students in schools had developed a strong preference for Commerce. They saw a better future for themselves through the study of Management and its job-oriented branches such as Accountancy, Marketing, and Estate Management and Valuation. This popularity obviously created pressure for admissions as reflected in the galloping numbers at schools as well as the competitive marks for university admissions. In 1983, over 40,000 school candidates sat for the G.C.E. (A/L) examination. However, only 897 or 2.2% of the total number of those candidates could enter the University. By 1995/96 this ratio increased marginally to 2.8 per cent. As seen from Table 2, Management Studies had become the most competitive stream in terms of the competitive minimum marks required (from the Colombo district) for university admission.

**Table 2: Popularity and Competition at G.C.E. (A/L) Examination:
Minimum Marks for Selection to University**

Selected Degree Programme	Minimum Marks for Selection (Cut-off Points) Colombo		
	1981/82	1994/95	1996/97**
<input type="checkbox"/> Commerce	226	269	274
<input type="checkbox"/> Management	236	288	<u>286</u>
<input type="checkbox"/> Medicine	250	<u>291</u>	285
<input type="checkbox"/> Engineering	250	289*	270*
<input type="checkbox"/> Arts	200	250	258

Source: UGC Statistical Handbook on University Education, 1983 and 1995; Sri Lankan Universities Year Book 1996; Division of Research & Statistics, UGC.

Engineering I

** GCE (A/L) Examination 1995

Table 3 shows data on university student enrolment in Commerce and Management for selected years in the 1966/1997 period. During this period, the total number of Commerce and Management students, as against the total registered in all disciplines in the universities at a given time, has risen from around 1 per cent to 19 per cent. Since admission to full-time courses is difficult, there seems to be a growing demand for external degrees in the discipline (Table 4).

Table 3: Student Enrolment in Universities 1966 – 1996

Academic Year	Commerce and Management (1)	Total Enrolment (2)	(1)/(2)
1996/97	6,523	34,526	18.9
1994/95	6,038	32,800	18.4
1993/94	5,930	32,000	18.5
1990/91	5,900	31,450	18.8
1980/81	2,400	17,200	14.0
1975/76	1,350	13,000	10.4
1969/70	330	9,300	03.6
1966/67	80	6,000	01.3

Source : UGC, Statistical Handbooks on Higher Education 1983, 1995; UGC Secretariat; and University of Sri Jayewardenepura

Table 4 : Student Enrolment (External) in Universities 1974-1995

	Commerce and Management (1)	All Disciplines (2)	% (1)/(2)
1974	312	-	-
1993	896	59,578	01.5
1995	3,317	76,600	04.3

Source : UGC, op. cit..

Cumulative data on admissions (Table 5) show that the total number of students that the universities have been able to accommodate so far is 25,588. Arithmetically, this accounts for an average of 500 per year after independence in 1948. However, the fact is that nearly 75% of this number had been admitted during the last 15 years or so.

**Table 5: Admissions to Undergraduate Programmes 1960-1997
Cumulative Data**

Stream	Total Admissions				
	1960-1982	Average per Year	1983-1997	Average per Year	Total up to 1997
☐ Management Studies	3,094	141	8,444	563	11,538
☐ Commerce	3,593	163	10,457	697	14,050
Total	6,687	304	18,901	1,260	25,588

The role of women in Commerce and Management education has changed in keeping pace with the social developments elsewhere in society.

Sri Lanka ranked high among the Commonwealth countries for the promotion of education as a basic socio-cultural value even well before the British granted political independence to the country. Among the many reasons for women to enter Commerce and Management stream at university level are (i) egalitarian school education system that encouraged girls to study for employment, (ii) limited opportunities and competition in the Arts stream, and (iii) a belief that Commerce and Management made an easy path to teaching jobs in the school system. It is interesting to note that the intensity of female participation in university courses of study had formed a set pattern by the early 1980s: Management and Commerce 40%; Science 35%; and Arts 60% (see Table 6).

**Table 6: Place of Women in Commerce and Management Programmes
1966-1996**

Year	Number of Females admitted to Commerce & Management	Females as % of Total Admitted in		
		Commerce & Management	Science	Arts
1993/94	592	41	33	59
1989/90	441	41	36	63
1982/83	363	41	37	55
1981/82	262	38	35	57
1975/76	114	32	-	-
1969/70	19	19	-	-
1966/67	03	06	-	-

Source : Ibid.

3.2.2 Trends in outputs

In developing countries, governments are generally happy to increase the intake to university programmes because it eases dissatisfaction among those who demand higher education. However, those same governments are generally unhappy to see that increasing numbers of graduates leave universities to join the labour market, because it calls for more jobs, and thus, better governance. Twenty years ago, our universities produced only 200 Commerce and Management graduates per year, but today they produce 1,200 per year. One out of every five graduates coming out of the universities now carries the title of B.Com or B.Sc. (Management) degree (Table 7). Since independence, the nation's universities have produced approximately 135,000 graduates for all disciplines. Evenly distributed over the 50-year period, this would mean an average of about 2,700 new graduates joining the economy every year. However, it is a rather unhappy story that about 5,700 new graduates now enter the economy annually. A more disturbing news is that almost 50% of the graduates that our universities have produced to date, have joined the society during the last 15 years. Another alarming picture emerges from the trend: the peak periods of graduation are associated with or followed by periods of violence in universities/society; and we are now experiencing another peak which is noticeably steep (see Table 8).

Table 7: Graduates Entering Labour Force: 1966 – 1996 (Selected Years)

Year Graduating	Commerce (1)	Management (2)	Total (3)	All Disciplines (4)	% (3)/(4)
1996*	640	571	1,211	6,038	20.1
1994	584	438	1,022	5,533	18.5
1991	602	494	1,096	5,329	20.6
1986	431	287	718	4,179	17.2
1980	271	116	387	3,552	10.9
1976	120	86	206	-	-
1970	20	43	63	-	-
1966	20	16	36	-	-

Source : Ibid. * Provisional Data

**Table 8: Graduate Entering Labour Force 1958-1997
Cumulative Data**

Time Period	All Disciplines	Management Studies	Commerce	Management & Commerce	Management & Commerce as % of Total
1993 – 97	28,583	2,595	2,932	5,527	19.3
1988 – 92	16,062	1,557	1,336	2,893	18.0
1983 – 87	17,890	1,007	2,008	3,015	16.8
1978 – 82	18,299	871	1,362	2,233	12.2
1973 – 77	16,873	590	279	869	5.1
1968 – 72	20,545	277	161	438	2.1
1963 – 67	12,411	261	75	336	2.7
1958 – 62	3,682	-	-	-	-
Total	134,345	7,158	8,153	15,311	11.4

Source: UGC, Statistical Handbooks on University Education 1980 to 1995; Division of Research and Statistics; Raja Korale, 'University Admissions and Manpower Demand,' Paper presented at Seminar on University Admissions, SLFI, Colombo, Oct.1983, p.2

3.3 Postgraduate level

3.3.1 Landmarks and philosophy

Postgraduate business (Commerce and Management) education in Sri Lanka is three decades old. The Master of Business Administration (MBA) and Master of Public Administration (MPA) degree courses were first started in this country in 1968 at the University of Sri Jayewardenepura. Two batches of students were enrolled and the programme was discontinued due to faculty shortages in 1974. Fresh efforts were made at the University of Sri Jayewardenepura toward the end of 1970s, and as a result, new MBA/MPA degree programmes were commenced in 1981. An important element in this was the participation of foreign university faculty from Canada and Belgium through link arrangements designed specifically for the promotion of Management education and research in Sri Lanka. Two years later, the University of Colombo also launched an executive Management diploma course on an extension basis. and soon the University introduced an MBA programme as well. In 1986, Postgraduate Institute of Management (PIM) was set up under the Universities Act as an affiliate of the University of Sri Jayewardenepura. The MBA/MPA programmes of the University were transferred to the new Institute which was physically located outside the main University Campus.

As the demand for postgraduate degrees continued to rise, the Faculty of Management Studies and Commerce at Sri Jayewardenepura responded with a new M.Sc. (Management) degree, and the Faculty of Commerce and Management Studies at Kelaniya launched an M.Com. degree. Both these degree programmes had an orientation for theory and examinations. The PIM expanded its MBA/MPA profile, and introduced a Doctoral Degree Programme in Business/Public Administration, a Postgraduate Diploma in Provincial Governance, and a Postgraduate

Diploma in Management with specializations in Marketing, MIS, Production and Technology, and Public Administration.

The 1990s witnessed a new trend of private sector/foreign university collaboration in the market to offer competitive MBA degree programmes. Motivated by financial pressures within, universities abroad began to offer extension facilities to institutions in developing areas including the Sri Lankan market. Institute of Technological Studies (ITS) was the first private university college in Sri Lanka to enter the MBA market. A few other private organizations followed suit with collaborative arrangements overseas.

The postgraduate programmes of study in Management in Sri Lanka are founded on the belief that managerial tasks of all organizations share in common certain managerial requirements. On the basis of a common core, further specializations are encouraged. All MBA programmes are concerned with the development of participants in the multi-faceted tasks of the manager with a view to enabling their fast progress on the lines of managerial leadership. In addition to the preparation of managers for tomorrow, the MBA at the PIM has the objective of promoting Management through research, with a particular emphasis on the socio-cultural context of Sri Lanka. As a means to this, research work and case study development have been made compulsory in many courses, and then six months of the 30-month period of study are devoted exclusively to a more serious research undertaking, leading to a thesis or a research paper/policy report.

In Sri Lanka, postgraduate study in Management is undertaken primarily on a part-time basis. Therefore, the state sector degree/diploma programmes are conducted on evenings and week-ends for persons employed in managerial and professional jobs. This marked difference in

Sri Lanka compared to the United States, UK, and India is due to such factors as (a) the practice of considering the first degree or professional qualification as the entry requirement for executive level jobs, (b) belief in the universities that postgraduate level education in Management is better delivered to persons with real life work experience, and (c) non-availability of free education at this level, and difficulty of securing scholarships/funds to support students.

Like the basic bachelor's degree model, the model of postgraduate education in Management in Sri Lanka is a copy of the American model. From the American model we have copied the course unit system, credit structure, case method of instruction, and evaluation schemes. In addition, the texts and readings used are largely drawn from publications originating from North America. Despite our overwhelming dependence on the leader of world business development, we have been successful in (a) retaining a significant research component in the degree programme, (b) re-engineering the course contents to suit more effective Management learning, and (c) incorporating local business cases into class-room work. Several unique features such as residential study sessions, company-based group assignments, oral presentations, and oral defense of final research/policy reports have also made Sri Lanka's MBA a novel and challenging one.

3.3.2 Postgraduate Institute of Management (PIM)

The primary objective of the establishment of this Institute was to centralize postgraduate instruction, training, research, and development efforts of the university system. The PIM, now located at its own campus premises, has class room capacity for 560 students at a time. Having good working relations with industry, government, professional bodies, and universities/institutes of repute in the region, PIM now offers attractive

faculty resources, learning options, and research opportunities. While it operates the best Management library of the country, its Center for Management Research, the Sri Lankan Journal of Management, and other regular publications invite researchers and contributors to take part in PIM's future-directed programmes and activities for disciplinary development.

On the eve of the Golden Jubilee of Independence, the Institute completed a decade of performance. As a special tribute to the event of Golden Jubilee celebrations, the PIM declared in January this year that the Institute has reached self-finance status, and thus, became the first higher educational institution of the government to reach the target of self sufficiency. This, we hope, would help all at PIM feel truly independent, more responsible, and innovative. PIM's programmes in education, training, consultancy, publications, and extension services are expected to generate approximately Rs. 25 million this year.

3.3.3 Performance at postgraduate level

Performance at postgraduate level could be assessed in terms of postgraduate degrees/diplomas/certificates awarded, research-based publications, extension services to clients, and links with support groups such as academics in other disciplines, professionals, foreign universities, business and industry clients. Tables 9 and 10 give the data on admissions to programmes of study and output of higher degrees and diplomas respectively. The total output of higher degrees to date is about one thousand which is a dismal performance when compared with the educational and human resources development needs of the Sri Lanka's class of managers, often estimated to be around 25,000 persons working in both public and private sectors.

Published quarterly, the Sri Lankan Journal of Management of PIM is the principal means by which local research is disseminated in Sri Lanka and abroad. It is estimated that academics and researchers in Sri Lanka have produced to-date approximately 120 research articles or publications. About 500 student research papers and 100 case studies could be added here.

**Table 9: Postgraduate Studies
Admissions (Selected Years and Total)**

	1968	1970	1981	1986	1991	1996	1997	Total up to December 1997
University of Sri Jayewardenepura								
(a) Postgraduate Institute of Management								
<input type="checkbox"/> Ph.D								22
<input type="checkbox"/> Masters				52	83	91	65	850
<input type="checkbox"/> Diploma				-	64	118	31	495
<input type="checkbox"/> Certificate				-	113	115	120	456
(c) Other								
<input type="checkbox"/> Masters	30	45	36	-	-	52	55	278
<input type="checkbox"/> Diploma				-	-	-	54	54
(c) Other Universities (Colombo & Kelaniya)								
<input type="checkbox"/> Ph.D						16	-	16
<input type="checkbox"/> Masters					45	50	50	240
<input type="checkbox"/> Diploma				40	40	-	40	230

Source: PIM; Faculties of Graduate Studies, University of Sri Jayewardenepura & University of Colombo

**Table 10: Postgraduate Studies
Outputs : All Universities**

	1970	1972	1984	1991	1996	Total up to December 1997
□ Ph.D	-	-	-	-	03	03
□ Masters	17	31	23	88	170	562
□ Diploma	-	-	-	56	136	490
□ Certificate	-	-	-	79	97	442

Source: Universities

4. Professional Institutes

Pressures on the nation's universities to provide higher education to a growing population of school candidates are, at least in part, absorbed by the various professional institutes. Among the oldest institutes are the Institute of Chartered Accountants of Sri Lanka and the National Institute of Business Management. During the last two decades, more opportunities for the young to obtain professional qualifications have been created by the new comers such as the Chartered Institute of Marketing (Sri Lanka Branch), Sri Lanka Institute of Marketing, Sri Lanka Business Development Centre, and the Chartered Institute of Management Accountants.

5. Commerce and Management Education at Technical Level

The history of Commerce education in Sri Lanka goes back to the Nineteenth Century.⁶ However, it is only after political independence in 1948 that Commerce education at technical level received attention of the government.

In Sri Lanka, technical education is heavily concentrated on the preparation of skills for occupations and the provision of continuing education. Unlike in the UK, Sri Lankan technical colleges do not award degrees. However, four-year diplomas in business, Commerce and accountancy offered by the technical colleges are often accepted as equivalent to a bachelor's degree.

Management and Commerce programmes of study at technical colleges in Sri Lanka cater primarily to school drop-outs, students who fail to enter the universities, and employed persons who are willing to upgrade their skills. From the mid 1960s, university graduates in Arts/Humanities had begun to face employment difficulties, and therefore, more students began to join the Commerce stream at school level with the hope of entering Commerce/Management degree programmes in the universities. These expectations soon became a dream to many, and the technical level became the next attractive target of education for the overwhelming majority of school leavers.

In 1965, the number of Commerce candidate sitting the G.C.E. (A/L) examination was 568 or 1.8% of the total number of candidates of that year.⁷ Five years later, this number rose to 8.2%, and by 1982, the number had risen to 42,800 or approximately 30% of the total appearing in all streams at the examination. Under this phenomenal rate of change in the school education system, it is quite evident that the technical college system would have been under heavy pressure to accommodate more in its Management and Commerce courses. Thus, the technical college system began to grow by the latter half of the 1960s. Table 11 shows the growth of various types of technical institutes in Sri Lanka.

Table 11: Growth of Technical Institutes

Type of Institute	Number of Institutes						
	1960	1965	1970	1977	1982	1993	1997
❑ National Institute of Technical Education*	-	-	-	-	-	1	1
❑ Advanced Technical Colleges	-	-	-	-	-	-	4
❑ Technical Colleges	2	2	2	2	2	2	25
❑ Polytechnical Colleges	2	5	7	8	9	11	-
❑ Junior Technical Colleges	4	1	4	8	14	14	-
❑ Affiliated Technical Units	-	-	-	-	4	8	9

Source : Ministry of Higher Education, Ministry of Vocational Training & Rural Development

* Prior to 1997, this was known as Technical Teacher Training College of Sri Lanka

Prior to the reorganization in 1994, there were four types of technical institutions: Technical Colleges, Polytechnical, Junior Technical, and Affiliated Technical Units. The types of programmes of study conducted at these institutes (in Business, Accounting, Commerce, and Secretarial Work) were in three categories: Higher National Diploma; National Diploma; and National Certificate.⁸ Except the courses at National Diploma level, all other courses were offered in the three official languages: Sinhala, Tamil, and English.

The total number of Commerce and business students enrolled in the above courses was 10,100 in 1982 or 51% of the total registered in all courses in the technical institutions. Studying for the Diplomas equivalent to university bachelor's degrees were approximately 2,000 students in the related disciplines. Admissions and enrolments in the decade to follow took a down-ward trend as discussed below.

In 1994, at the reorganization of institutions, four Advanced Technical Colleges were set up. This was done by upgrading four existing technical institutes. Polytechnical and Junior Technical Colleges were upgraded to the status of Technical Colleges; and the subject of technical education was transferred from the Ministry of Higher Education to the Ministry of Labour. Three years later, in 1997, technical education was made the subject of the Ministry of Vocational Training & Rural Industries. At the same time, the Technical Teachers' Training College was re-named as National Institute for Technical Education. The various branches of study (Business, Accountancy, Commerce, etc.) were categorized under 'Management' (and other categories being Engineering, Craft Studies, and English & General Studies). This reorganization, however, did not result in an expansion of courses or admission of students. In fact, a significant decline of enrolment of students in Management (12%) has been noted between 1983 and 1996.

The technical college system has not been able to provide higher education in Commerce and Management to a reasonable proportion of the rapidly increasing student population. Rather unfortunately, the technical colleges had not been able to record an attractive level of performance. According to the indicators available, the overall pass rate in 1990 was a dismal 12%, which reached an all-time peak of 31% in 1996. This apparent progress in the input-output ratio has been due to such factors as increased student/teacher ratio, institutional re-organization, low level of overall activity, increased resource allocation, and pressures from student organizations and parents for speedy results.

6. International Cooperation

Cooperation with universities abroad has been a principal means by which the groundwork for programmes of study in management in particular has been laid over the years at many universities. The USAID, UNDP and CIDA had been the sources of assistance to the key programmes at university of Sri Jayewardenepura, University of Kelaniya and University of Colombo. The University Grants Commission, as well as the Universities, gives high priority to the development of linkages with educational institutions abroad. The inadequacy of depending only on local staff for developing education on the one hand, and the desire to promote disciplinary development in the international context on the other, are the driving forces behind the enthusiasm for cooperation. Cooperation efforts are affected by a lack of funds and facilities at the universities for bi-lateral arrangements and unstable political environment in the country. However, a greater scope for collaboration exists in the sphere of short-term projects or partnerships with higher learning institutions in the region.

7. Local Partnership

Both business and government have look forward to universities and other higher education institutions as the main source of formal education and training. Government agencies work with universities for the purpose of specialized programmes of training for public officers. With the University of Sri Jayewardenepura, Postgraduate Institute of Management, University of Colombo, and University of Kelaniya government Ministries or Departments have successfully completed training projects in such areas as Government Accounting, Local Government Administration, Public Administration, and Industrial Management.

Private sector industry and banks have played a leading role in the promotion of human resource development programmes for their managers through the universities. Private sector assistance and cooperation had come forward whenever required by the university departments to place their undergraduates in internships and field projects. The most successful in working out practical relationships with industry for this purpose have been the Department of Industrial Management (University of Kelaniya), and the Department of Accounting and Finance (University of Sri Jayewardenepura).

8. Management Education and Employment

Sri Lanka's business faces challenges of modernization and professionalization arising from fundamental shifts in the economy that have followed liberalization and privatization policies during the last two decades. Both the continuity and growth of business depend largely on the ability of firms to compete, which often requires business and organizational restructuring, diversification, adoption of turnaround and cost strategies, divestments, joint-venture operations, and business networking. As a result, greater professionalization of internal Management operations for productivity and quality enhancement, getting closer to the customer, improvement of team work, and utilization of information technology for manufacturing and service delivery seem to dominate the current thinking & practice of management.

In the advanced economies, economic transformation in the past few decades has meant a shift of business and employment from manufacturing to services. This has also meant a new emphasis on the knowledge worker, modernization of the work environment centred on information technology, research and development, and global networking. Unfortunately, the kind of transformation that we are witnessing in this

part of the world does not have historical parallels because we are, in fact, leap-frogging the stages of development that the advanced countries have successfully completed in their history. It means that we are struggling through a difficult shift from an agricultural-base to a service-orientated economy, without experiencing the richness of an industrial stage of development. Most of the present day dimensions of structural unemployment among the university graduates in this country could well be traced back to this rather unique pattern of change in our economy. These changes are governed by the far-reaching forces of globalization that are dominated by multinational and transnational corporations. Therefore, reforms in Management education should be undertaken within a framework of strategic thinking and macro-economic policy.

Concurrent with this change over in the economy, and as an integral part of this shift has been an increase in what has become known as entrepreneurship -- a growth of small business, a new middle-class based ownership, employee-share holding, and a new spirit. The new business sector, however, is not strong enough to pave the way for solving the problem of graduate employment or propelling a new wave of professionalism. It is rather an outgrowth of the older, mercantile trading business class, a manifestation of modernity in the service sectors. More than the universities, the professional institutes have responded to these changes.

There appear to be two areas of impact of technological change, namely, industrial automation, which is expected to influence the blue-collar aspects of work, and computerization, which is expected to affect the way in which white-collar work is done. The latter area of change is of higher significance to Sri Lanka, where it is the white-collar job that our graduate is most likely to go after. Is our graduate prepared for a computerized work environment? Information technology is giving an

impetus to a new form of organization which is called “dynamic networks.” In essence, this could be viewed as the opposite of vertical integration, because businesses use outside vendors to perform such functions as design, manufacturing, and distribution-functions which historically have tended to be performed in-house. One has to acknowledge that with technological advances, there would be further sophistication, and often internationalization, of management and markets.

In the contemporary ‘border-less society,’ internationalism has come to our door-step. Sri Lanka’s modern economy has always been an externally-driven system. It is rather unfortunate that nearly two decades of experience of open market competition has made little impact on the basic patterns of university education in Management. After being an exporter of agricultural produce, Sri Lanka is now faced with a situation of exporting whatever it could to ‘new markets.’ They demand high product quality, continuous quality improvement, meeting tight schedules, and other advanced managerial and work practices. Being a passive, inward-looking culture, Sri Lanka’s society has not been able to take-off from its rather back-ward economy. It is now called upon to develop an aggressive outlook and adopt a progressive and competitive approach everywhere.

Universities elsewhere have responded to global changes in market forces, business organization, and technology by embracing some of the changes themselves. Faculties of Management have responded by setting up more autonomous schools of business, substituting the traditional lecture method with the case method, focusing on the recipient (student), not the producer (teacher), and empowering the learner with a computerized environment to harness individual and team efforts. The trend is for the selection of teaching and learning methods that approximate the realities of management. This has been supported by such policies and

programmes as mixing of teaching and consulting workloads, and student exposure to numerous work situations, local and foreign.

Management education in our universities has been a point of open debate and discussion for quite some time. What has transpired in these efforts could be summarized as a wide recognition of the existence and continuation of disparities or mismatches in three areas, namely, numbers produced, quality of output, and composition of output. However, adequate and reliable data are not available as to the industry's absorption of Management and Commerce graduates for early and productive employment. The University Grants Commission's estimates indicate an absorption level of 33 per cent.⁹ These estimates are indicative of the gravity of our problem, and hence, is the need to focus, *inter alia*, on curriculum, orientation of programmes, linkages with industry, Management of teaching faculty, institutional re-orientation, and teaching methods.

Studies undertaken elsewhere on the qualifications needed for success in Management have produced evidence to convince that certain qualities are essential for executive or managerial success. According to these studies a level higher than the average intelligence is required of persons in leadership positions. They tend to be well-rounded in terms of interests and aptitudes; they have better than average skills in communication; they display mental and emotional maturity; they appreciate the value of cooperative effort and seem to know how to deal effectively with people and, move generally, they know how to make effective use of the so-called executive skills. Perhaps most clearly of all, they possess a strong inner-drive that impels them to strive for accomplishment and recognition.¹⁰ Management, thus, is an occupation requiring specific knowledge, skills and attitudes. In developing countries like Sri Lanka, the large majority of managers, including some of the most successful CEOs, do not have a

formal education or training in Management. The scope for further development of managers, and for the education of new managers in Sri Lanka is therefore, great.

The government is aware of the market situation that there is a shortage of trained and experienced managers in Sri Lanka. However, as the Ministry of Plan Implementation had recognized in 1982, "Management and Commerce graduates have to compete along with other graduates for these positions. In addition, the structure of industry in the country and the prevailing patterns of recruitment particularly in the private sector for administrative and managerial positions based on kinship and recommendations of known persons will reduce the opportunities available to these graduates. The provision of graduate education through university postgraduate courses directed to persons who are already employed as administrators, managers, and trainees will be a more fruitful way of intervention."¹¹

A 1982 survey of Management training and development needs of the private sector of Sri Lanka suggested the following list of areas for both short and long run training and development efforts by higher educational institutions:¹²

Production Management	Project Management
Marketing	Management for Bankers
Human Relations and Personnel	Financial Investments
Business Communication & Data Processing	Trade and Investment

These were vital information for the higher educational institutions who should look for the perceptions of practicing managers. In the process of curriculum reforms in undergraduate programmes, the reformers have hardly benefited from such information. As a result, on the output side, there are continuing questions about the 'marketability' of Management and Commerce graduates. Discussions with private sector organizations and professional bodies in Sri Lanka have revealed that employers generally look for the following types of attributes of a graduate's preparation:¹³

- ❑ Analytical skills
- ❑ Skills in team work
- ❑ Adaptation skills
- ❑ Communication skills
- ❑ Leadership potential

University graduates acquire their skills and orientations not necessarily while in universities, but throughout their entire life of formal education. Their formal education includes the period spent in schools and private tutorials whose only function is to prepare students for competitive examinations. A few exercises with recent graduates revealed interesting information about their skills, preferences and attributes, and they are summarized below.

What are the job aspirations of Commerce and Management graduates? This question was dealt with in a series of questions put to over 6,000 graduates who had registered for employment purposes at the Ministry of Policy Planning and Implementation in mid-1994.¹⁴ They were asked to indicate their first three important preferences for employment in a series of sub-sectors of work in public and private spheres. Table 12

summarizes the preferences given by 1634 Commerce and Management graduates. The sample of graduates (Table 14) comprised males and females from the three main streams of education in the universities. The gender and discipline-wise composition of the sample roughly corresponded to the patterns of distribution of student population in Sri Lanka's universities.

The survey of preferences, reported in Table 12, confirmed the popularly held view that graduates prefer job security, prestige, convenience of location, and financial rewards in their choice of employment. Their attraction to public sector schools and private sector banks is explained by these views. The data could be interpreted to mean that the majority of graduates tend to avoid challenging work situations that require hard work and adaptation including acceptance of certain social realities. For example, many graduates do not see the rationality of building a career with good prospects in difficult work environments (manufacturing/garment factories) or positions in unfamiliar work and social cultures (foreign companies/NGOs). Should teaching techniques aim at enhancing the chances of employability in the preferred market segments or developing a more balanced distribution of preferences which would be rational from the national economic point of view are two of the vital questions that should be addressed by university educators.

Table 12: Employment Preferences Among Management and Commerce Graduates

Public Sector			Private Sector		
Employment Sector	First or second choice*	%	Employment sector	First or second choice*	%
Development programmes	290	19.3	Advertising & packaging	18	3.5
Divisional secretariats	186	12.4	Agro business	02	0.4
Foreign investment projects	14	0.9	Banking and finance	457	88.6
Industrial organizations	16	1.1	Business services	-	-
Infrastructure development projects	-	-	Construction and engineering	-	-
Inland revenue	231	15.4	Foreign investor companies	-	-
Pradeshiya sabhas	-	-	Insurance	15	2.9
Provincial administration	24	1.6	Manufacturing organizations	-	-
Research institutes	33	2.2	NGOs	-	-
Schools	708	47.1	Self-employment	12	2.3
			Textiles and garments	-	-
			Transport, travel and hotel	12	2.3
Number of revealed preferences	1,502	100.0		516	100.0

Source: G Nanayakkara, 'Teaching Management in Undergraduate Programmes: Challenges and Pradoxes,' Sri Lankan Journal of Management, Vol.1, No.3, 1996. P. 289

Some had given only one choice

Table 13: Activities in Work: Views of Unemployed Graduates and Executives

	Unemployed Graduates (s = 320)	Executives (s = 277)
<input type="checkbox"/> <i>Production Activities</i> cut, mend, lift, fit, mix, process, bind, store, etc.	-	6.5%
<input type="checkbox"/> <i>Development Activities</i> analyse, integrate, experiment, decide, etc.	15.0%	29.0%
<input type="checkbox"/> <i>Soft Activities</i> write, talk, report, instruct, sing, draw, collect data, etc.	85.0%	64.5%

Source: *Ibid*, p.290

Table 14: Educational Composition of Undergraduates

Field of study	No of Grads.	%	Male (%)	Female(%)
<input type="checkbox"/> Arts	134	41.9	45	55
<input type="checkbox"/> Commerce & Management	115	35.9	60	40
<input type="checkbox"/> Science & other	71	22.2	47	53
Total/average	320	100.0	51	49

Source: *Ibid*. p. 291

A successful work life often rests largely on the employee's work values. In the selection of teaching techniques should teachers pay attention to promoting values among university students so that they would be successful in their lives? Industrialists in Sri Lanka emphasize that new recruits must demonstrate an intrinsic liking for work, irrespective of the nature and the attractiveness of tasks given. This point was incorporated into the programme of training of the National Project for Professional

Development of Graduates (1994) of the Ministry of Policy Planning and Implementation, and 320 graduate trainees (in 8 training groups) were asked to think about the meaning of work and list activities that they thought 'work' comprised. The purpose of this question was to find out what graduates thought of the nature of jobs in the world of work. The same question was asked from executives (277) who participated in Management training courses at the Postgraduate Institute of Management during the period 1994 to 1996, and the results are compared in Table 13. The sample of executives comprised graduates and professionals from three principal sectors of economic activity: services, manufacturing, and public sector. They were executives having a background of university degrees (56%) or professional qualifications (37%). These background characteristics of the sample could be considered representative of the Sri Lanka's middle-level executive class today (Table 15).

Table 15: The Background of Executives

Employment sector	Education Background				
	No. of executives	%	Graduates	Professionals	Other
<input type="checkbox"/> Banking and services	117	42.2	36%	55%	9%
<input type="checkbox"/> Manufacturing	30	10.8	73%	27%	-
<input type="checkbox"/> Govt/local authorities/ enterprises	86	31.1	81%	19%	-
<input type="checkbox"/> Other	44	15.9	50%	34%	16%
Total/average	277	100.0	56%	37%	07%

Source: *Ibid.*

As seen from the responses (Table 13) the graduates perceive a job as a 'soft activity' which revolves around interpersonal relations, communication, and artistic expression. Only a few recalled activities which could be classed under 'production' or 'development' activity. Contrary to what entrepreneurs of the country demand of employees, the beliefs or the orientations of executives - those who are already in employment - are not radically different from the views of those who are awaiting a call for employment. With regard to work in this country, we seem to have a problem of not recognizing or appreciating the worth of manufacturing and developmental activity. Is this a problem of education or a much wider problem of our people? It has serious implications for the choice of teaching techniques but it is a problem that deserves the attention of all.

The experience of technical college students has been no exception to the pattern of relationship between education and employment of university graduates. A study of a sample of 300 students who studied Management and Commerce at technical colleges in Sri Lanka during 1974-78 was conducted in 1983.¹⁵ This study revealed that a large majority found employment in the public sector (63%) and the level of absorption by the private sector was less than the expectation (34%), while self-employment was only 3 per cent. Only 43% found their education at technical college as strictly relevant to their job while 20% saw no relevance at all. Their access to managerial jobs was strictly limited and thus, they seemed to end up in accounting, book-keeping, teaching, and clerical jobs.

The above study also revealed that most of the students attended courses simultaneously at a number of higher educational institutions such as university (22%), Institute of Chartered Accountants of Sri Lanka (18%) and other places (20%). This phenomenon was probably a reflection of a

lack of confidence among students in the adequacy or strength of one qualification to find employment successfully. It could also reflect an overlap between the various courses offered by these institutions, and perhaps certain weaknesses in the courses themselves.

During the past twenty years or so, an unnecessary and unhealthy schism has developed between business and higher educational institutions in this country.¹⁶ Many myths and some truths are held by each constituency about the other. Many business leaders are seemingly convinced that universities are too insular and not interested in the needs of business. Further, they believe that many universities create a bias in students against business by teaching book knowledge, and thus avoiding practical business problems, and often cultivating revolutionary/violent political ideas. If the dictum 'customer is always right' is held in this situation too, then the solutions are with the higher educational institutions themselves.

9. Resources for Management Education

Calculation of total resource utilization for Management and Commerce education either at university level or technical level is a difficult task. A meaningful calculation is difficult because universities do not maintain programme-based budgets and accounts. Gathering of data relating to expenditures by discipline for all universities in respect of a lengthy period of time is also difficult. Therefore, in this section we may look into the teaching resources and library information.

6.1 Teaching staff

Management and Commerce education, as discussed earlier, gained popularity only as a late comer. Therefore, one could expect the teaching staff in this area to be the weakest in comparison to other disciplines in our universities. At present, the total full-time staff strength in Management and Commerce is 8.6% of the total teaching staff of the universities in Sri Lanka (The latter figure was estimated as 2,800, on the basis of the UGC figure of 2,734 for 1995). A detailed account of staff available is given in Table 16 for the period 1983 to 1997.

Here again, a comparative assessment of strengths of the teaching personnel of universities is difficult for many reasons such as (i) variation of qualifications and experience, and (ii) variation of time devoted to teaching or research etc. It is estimated that about 75% of the full-time teaching staff fall into the 'junior' category of lecturers and probationary lecturers and therefore, they are relatively young and awaiting higher academic and research/work experience. In 1997, there were only 6 teachers in the most senior category of professor/associate professor. Even though the teaching staff is relatively young and less-experienced, the data on work-loads show that they carry a higher teaching work load compared to those in other disciplines.

Table 16: University Teaching Staff 1983 – 1997

University	Teaching Staff			
	Full-time		Part-time	
	1983	1997	1983	1997
<input type="checkbox"/> Sri Jayewardenepura				
a) Faculty of Management Studies & Commerce	40	99	53	42
b) Postgraduate Institute of Management	-	8	-	18
<input type="checkbox"/> Colombo	9	46	19	22
<input type="checkbox"/> Kelaniya	8	24	8	10
<input type="checkbox"/> Jaffna	3	11	12	6
<input type="checkbox"/> Peradeniya	3	4	4	4
<input type="checkbox"/> Ruhuna	5	8	12	7
<input type="checkbox"/> Sabaragamuwa	-	10	-	6
<input type="checkbox"/> Eastern	-	17	-	8
<input type="checkbox"/> Rajarata	-	8	-	6
<input type="checkbox"/> Open University	-	5	-	10
Total	68	240	108	139

Source: UGC and Universities

Note: Full-time category includes Temporary Staff as well.

Part-time work-load is 8-12 hrs. of teaching per month

In 1973, the total strength of university teaching staff in Management & Commerce was less than twenty. Fourteen of them were at the Faculty of Management Studies and Commerce, University of Sri Jayewardenepura, and the balance few were at the Department of Economics and Political Science at Peradeniya, and Department of Industrial Management at Kelaniya University. A decade later, in 1983, there were 68 full-time faculty which increased to 240 by the year 1997. As Table 16 indicates, there has been a very significant dependence on part-time faculty which has begun to decline in recent years. Universities need more resourceful teaching staff in Management and Commerce, particularly for those that are located in the less-developed provinces. Due to the brain-drain from the island, the availability of visiting staff persons in Colombo and major cities for part-time positions at Universities had not improved. Professional institutes such as the National Institute of Business Management, Sri Lanka Institute of Development Administration, National Institute of Plantations Management, and Sri Lanka Business Development Centre, which were regular sources of supply of part time faculty to university courses, have suffered from a high turnover of resource staff, especially during the last decade.

6.2 *Library facilities*

Table 17 gives an account of the main library facilities on Management and Commerce available in Sri Lanka. The total number of volumes available in the country, including libraries of all universities, the public library in Colombo, and libraries of foreign agencies such as the British Council and United States Information Service, is estimated around 85,000 books and journals. Nearly 99% of them are foreign books and journals originating mainly from the UK, USA, and India. Therefore, they are available only in the medium of English. Not more than 6-7% of the university student population in Management and Commerce could read

and understand the subject matter in English. This percentage could be as high as 40% in respect of students reading for professional courses conducted either in Sri Lanka or abroad.

Table 17: Volumes of Books/Journals in Libraries

Institution	Volumes
❑ University of Sri Jayewardenepura	9,800
❑ Postgraduate Institute of Management	10,200
❑ University of Colombo	3,800
❑ University of Kelaniya	4,660
❑ The Open University of Sri Lanka	1,600
❑ National Institute of Business Management	12,000
❑ Sri Lanka Institute of Development Administration	7,200
❑ Institute of Chartered Accountants of Sri Lanka	4,400
❑ Chartered Institute of Management Accountants	3,000

Note: Number of volumes refer to items on Management and Commerce, and volumes on economic theory and economic history in university main libraries are excluded.

A major deficiency in our libraries seems to be the inadequate coverage of current journals published elsewhere. In India, for example, the library of a nationally recognized Institute of Management (such the Institute at Bangalore or Ahmedabad) would carry over 120,000 volumes and over 20,000 journals. In comparison, Sri Lanka has to go a long way in library development. Publications of Sri Lankan origin in this discipline are very few and therefore, it is very important to have current publications of the region and of East-Asia readily available to our readers. Apart from an expansion of the facilities, there is a need for cooperation among

universities and institutes for the better use of existing facilities for which a rationalization of access to students and users in the discipline would be essential.

10. Management Development and Research

From the foregoing discussion of the state of the art of management education in Sri Lanka, it would appear that management, as a field of study, is rather underdeveloped. The same state of affairs could be seen in the arena of management practice. With the arrival of unprecedented competitive intensity and accelerating change, our organizations have found it extraordinarily difficult to change what and how they had been doing things for decades – their business processes and the behaviour of their people. Thus, they have exposed low productivity, technological stagnation or increasing technological dependence on foreign sources, and loss of market shares locally and abroad.

The public sector organizations too came under environmental pressure to transform, from a post-colonial bureaucracy to a responsive public service of modern Sri Lanka. Driven along by structural adjustment, pressures to ‘move to the people and to the market,’ and the global wave of ‘good governance,’ attempts were made to shift first from traditional and colonial public administration to development administration, and then to new public management. During the last two decades or so, following the recommendations of donor agencies in particular, attempts were made to downsize public services, divest state enterprises, decentralize and devolve administrative and legislative powers to provincial and local levels, and introduce quality circles, performance evaluation and other managerial practices, uncritically borrowed from other countries. To date, however,

there is little evidence that such reforms have produced the promised benefits of improved public service delivery or 'good governance.'

As Peter Drucker often asserted, it is rather obvious that to compete successfully *externally* requires people to perform appropriately *internally*.¹⁷ Though the idea is simple, neither the educationists nor the professionals and practitioners have recognized the power of this assertion. Instead, in the absence of a holistic approach to management development, rather narrow and discipline-based views about the nature of management problems seem to govern many discussions. For example, the economists in policy-making forums emphasize resource allocation and utilization; sociologists emphasize social structuring and conflict; businessmen are worried about bureaucratic restrictions, taxes, and lack of state support; managers complain about loyalty of workers; and politicians see managers and administrators as hands without skill or brains without heart.

A survey was conducted among 115 industrial organizations in July 1991 in order to ascertain the opinions shared by the leaders of the managerial community about management development needs and opportunities in Sri Lanka.¹⁸ While it was recognized that the relative importance of people, technology, finance, markets, and management for organizational success varied among the organizations, there was agreement that the most important success factor was the availability of competent managers. Sixty four per cent of the respondents identified 'competent managers' as number one factor and 23% of the respondents as the second factor of success. The next important factor was finance (19%) followed by government policy (11%). The survey revealed that the organizations (private sector 65% and public sector 35%) were deficient in their staff requirements mostly at the middle management level (32%) and supervisory level (27%). About 90% of the organizations found that there was 'overloading' of work at the top and the senior levels of management.

The need to delegate was felt great but the delays in delegation were due to dearth of competent managers at the subordinate levels. How did women managers perform in their managerial jobs? Sixty two per cent of the respondents (responding sample comprised 11 women and 102 men) said that both men and women did their jobs equally well. The industry felt that the needs for systematic management improvement were a priority in marketing (48%) and finance (20%). Industry expects MBAs to contribute most in corporate planning, market analysis, and decision making at middle levels.¹⁹ Thus, there is evidence that the competitive success of our organizations is strained by centralized management practices. Centralized management practices often lead to an over emphasis of short-run interests, crisis management, and unhealthy diversification of business. In this process, our senior managers fail to pay attention to vital aspects of professional management such as strategy formation, systems development, empowerment, productivity improvement, innovations, and organizational values and culture.

In discussing IBM, Thomas J Watson Jr. stressed the critical role that values and norms play in achieving success, over time:

“Consider any great organization – one that has lasted over the years – and I think you will find that it owes its resiliency, not to its form of organization or administrative skills, but to the power of what we call beliefs and the appeal these beliefs have for its people.”²⁰

When leaders engage themselves in administrative and managerial activity at the cost of leadership functions, they build up their organizations on shaky grounds. Top managers must have time to reflect, to emotionally involve themselves with the institution and its ideals rather than with its mundane activity. Fonseka and Jayawardana in a study of cross-functional management roles have shown empirical evidence of

leadership styles emphasizing values and empowerment result in higher productivity and company growth.²¹ However, Sri Lankan managers seem to be weak in masculine behavioural attributes such as decisiveness while they seek comfort in 'feminine' work environments typified by loyalty and consideration.²² Even many business leaders cultivate 'feminine' values and design entrepreneurial strategies on the strengths of social affiliations.²³ The managerial practices that are best for Sri Lankan organizations are not necessarily the practices found effective in other societies. Understanding a culture and its relations to human thought and behaviour requires a systematic study of the foundations of the society's culture. In this regard, much needed guidance and inspiration could be drawn from the works of scholars in history, philosophy and sociology such as Jurgen Habermas, Harry Triandis, Hajime Nakamura, and contemporary researchers in cross-cultural management such as Geert Hofstede, Nancy Adler, Gabino Mandoza, and Richard Mead.²⁴ Being a developing country operating in a liberal market environment, Sri Lanka's management development efforts should be supported and guided by local research undertaken in the framework of cross-cultural management.

11. Reflecting on Some Issues for the Future: Old Issues in New Settings

The objectives, design, content, and methodology of Management education in our higher educational institutions are exclusively dependent upon those of the developed countries. The main thrust of this dependency relationship is a belief in the universalism of sound management practices, and a complacency among university academics about the uncritical transfer of Western models. Maintenance of this dependency relationship has been one of the consequences of bi-lateral and multilateral programmes of assistance to Sri Lanka after independence. A fundamental issue is whether

the design and content of Management education should be drawn from the old paradigm of universalism or new trends toward the primacy of particularism.

The task of placing the Management education programmes and scholarship of teaching staff in context is a priority. Put simply, it would be impossible to understand the social worth of public funds for efforts in Management education (estimated over Rs. 350 million for recurrent expenditure in universities per year) if they are abstracted from the traditions of western models and if they are viewed and assessed in isolation from the socio-economic system of Sri Lanka. Our universities should find ways to bring together the traditions of our own past, that are valuable today, with the evolving needs of productive organizations.

Universities are “Corporate entities animated by a common spirit which transcends the boundaries of disciplines and specialties and divisions....”²⁵ In this traditional, Western perspective, they concentrate, monitor, and sustain the task of inquiry, which spills over into innumerable intellectual communities around the world, but united in common enterprises. None of these is to assert that the nature of our university faculty as an intellectual community was ever transformed into central meeting points for disciplinary and intellectual concerns. In contrast, affected by sheer growth in numbers, both students and faculty colleagues, and by tensions of conflicting forces our faculties gave priority to problems of internal bickering over mundane issues involving disciplinary identities, administrative power positions, students politics and welfare, and promotion of money-making ventures for them outside the university. Faculties need to define a philosophy of community and strike a new balance between teaching and research, and flexibility and a sense of direction.

The possible implications for universities for adopting new concepts and techniques in Management and Commerce programmes of study are obviously wide-ranging -- from the curriculum to the environment of learning, and from financing to relations with industry. Implications for staff development, and some points for attention include: a) obtaining commitment from teachers at all levels; b) teaching faculty assessment and evaluation; c) faculty research, consultancy, training, and workloads; d) academic administration; e) development of teachers and international exposure; f) access to teaching resources; and g) career advancement. Universities elsewhere, including China, strongly encourage university teachers to secure research contracts, consultancy work and other projects, and work periodically or part-time in private enterprises. These efforts result in substantial sources of alternative income - both for the university and for the teachers. They provide invaluable Management experience to teachers. Our university teachers too can work in business and thereby make a difference to the shape and work of our universities.

One of the most important guiding principles of any institution where activities will have a major effect on society should be obtaining, assessing, and responding to the views and expectations of that society. "Stay close to customer" is a simple but perhaps the strongest advice that a university could expect from a successful business person of the modern times. The principal customers of the university are the general public, the business or industrial and services sector, and government. Their needs and expectations in the coming decades would be governed by the mega-trends that determine the direction of societal change. It is inevitable that the next decade or the early part of the 21st century Sri Lanka would be a period of struggles attempting to grapple with the following kinds of issues:

- Increased market competition, particularly from educational programmes directed by parties in developed countries to this country;

- ❑ Continued technological development, affecting the kinds of skills required for the teaching of, and training in, management;
- ❑ Continued restraint on government expenditure for Management education, calling for market driven policies of finance;
- ❑ Increased opportunities for innovations in managerial practice in both public and private sectors;
- ❑ Increased support from policy makers, industry leaders, and professional bodies for the transfer of Management know-how to new sectors, cadres and purposes.

It appears that business in particular, would expect that University programmes in Management studies respond in the following directions if they were to be actors in the competitive game of producing future managers: a) to prepare graduates for the realities and shocks of the real world; b) to make available dynamic, bright, innovative and disciplined people with problem solving skills, c) to conduct sound research and to organize efforts for the transfer of know-how into business reality; and d) to provide assistance in retraining and continuous education programmes to expand the skills of employees. Thus, the society at large expect the future university to expand its professional outlook and become the site for launching of careers. The alarming challenge that is hidden in these issues for the Management faculties themselves, though unpalatable, would be the acquisition of professional business skills and attitudes in the first place. Without these skills and attitudes they would not be effective as Management teachers and trainers. They ought to design new strategies and implement them fearlessly, because the time appropriate for fundamental change appears to be fast waning out.

Notes:

1. **Survey of managers** in Sri Lanka; conducted by the Division of Postgraduate Studies, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura, April 1983. Survey included **managers** from top, middle, and lower levels of organization.
2. **Some useful studies** on university education (excluding Management studies) and employment in Sri Lanka are reported in, Marga Institute: *University Education and Graduate Employment in Sri Lanka*, (UNESCO: Marga Institute, 1983).
3. This policy formulation exercise took place during the period of Jan-July 1982. The Author was a member of this committee.
4. *PIM Programme Calendar 1997 – 98*, p. 20.
5. Up to 1973 admission to university programmes was open to all the streams of study at school. To be eligible for admission, a candidate should have offered four subjects at GCE (A/L) including Accountancy, Commerce & Finance, Economics and any one other subject available at that examination.
6. In 1891 classes in Commerce were started at St. Benedict Institute (College) Kotahena and St. Patrick College, Jaffna to prepare students for London Cambridge Examinations. The Ceylon Technical College was started in 1893 but Commerce education there at the initial period was not successful.
7. Statistics Division, Ministry of Education; Division of Planning and Research, UGC.
8. The programmes of study under each category are: (i) HND: Accountancy, Commerce, and Valuation, (ii) ND: Business Studies, Cooperative Management, and (iii) NC: Business Studies and Stenography (full-time and part-time).
9. A D V de S Indraratne, 'Graduate Employment in the Private Sector : Supply Side,' in *Proceedings of HRD Workshop on Graduate Employment in the Private Sector*, Human Resources Development Council, Mar. 1994, pp. 35-44.0

10. Robert A. Gordon & James E. Howell, *Higher Education for Business* (New York, Columbia Uni. Press, 1959) pp. 77-78
11. Raja Korale, 'University Admissions and Manpower Demand,' paper presented at Seminar on University Admissions, Sri Lanka Institute Foundation Institute, Colombo, Oct. 1983, p.5.
12. G. Nanayakkara, "Management Training for Private Enterprise Promotion in Sri Lanka." Study paper for USAID, 1982.
13. Interview with Mr G C B Wijeyesinghe, President, Organization of Professional Associations of Sri Lanka, 1995.
14. National Project for Professional Development of Graduates was a project of the Ministry of Policy Planning and Implementation in 1994. The project made an attempt first to place graduates as Trainee Development Assistants in public and private organizations for a period of one year, and then to provide job-related training during the period. The number of graduates seeking employment was estimated at 8,000 in July 1994.
15. P A A Weerasinghe, 'Commerce and Management Education at Technical Level,' MBA Policy Report (unpublished), University of Sri Jayewardenepura, 1984.
16. To understand the gaps between universities and client groups in Western societies read, William A Cochrane, "Society's Expectations: Staying Near the Customer," in *Universities in Crisis: A Mediaeval Institution in the Twenty-first Century*, William A. W. Neilson and Chad Gaffield (eds.), The Institute for Research on Public Policy, Montreal: 1986. pp. 29-44
17. See Peter F. Drucker, *Managing for the Future*, Truman Tally Books: New York, 1992, and for a discussion of Drucker in relation to market economies, read Mike Davidson, *The Transformation of Management*, Macmillon Business: London, 1995, pp. 13-15.
18. The details of this survey conducted by the author were first published in his paper, "Managing in Sri Lanka: An Academic Perspective," presented at the Fourth annual sessions of the Organization of Professional Associations in Sri Lanka, BMICH, September, 6-7, 1991.

19. Industry expectations of MBAs in the United States, based on a study of business education since 1960, are discussed in Lyman W. Porter and Lawrence E. McKibbin, *Management Education and Development*, McGraw-Hill: New York, 1988.
20. IBM, *Thirty Years of Management Briefings, 1958 to 1988*, IBM Corporation, New York, 1988.
21. A. T. Fonseka and A. K. L. Jayawardena, "Self-managed Teams and Organizational Performance: the Experience of Asian Cotton Mills Ltd., Sri Lanka," *Sri Lankan Journal of Management*, Vol.1, No.4, 1996, pp.375-400.
22. Uditha P. Liyanage, "Femininity as a Managerial Value," *Sri Lankan Journal of Management*, Vol.1, No.1, 1996, pp.37-47, and also refer Sudatta Ranasinghe, "Work Centrality and Job Satisfaction: Applicability of the Protestant Work Ethic in the Sri Lankan Context," *ibid.* pp.19-36.
23. Travis Perera, "The Need for Affiliation as a Moderator in the Behaviour of Entrepreneurs," *Sri Lankan Journal of Management*, Vol.1, No.3, 1996, pp.252-261.
24. Some of the key studies on cross-cultural management are reported in Richard Mead, *International Management – Cross Cultural Dimensions*, Blackwell Business: Cambridge, Mass., 1994; Terence Jackson, (ed) *Cross-Cultural Management*, Butterworth-Heinemann; Oxford, 1995; and Fons Trompenaars, *Riding the Waves of Culture – Understanding Cultural Diversity in Business*, Nicholas Brealey; London, 1994.
25. Edward Shils, "Government and Universities in the United States," *Minerva*, Vol.17, No.1, p.151



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