

News monitored for: ISB

# THE ECONOMIC TIMES

## B-Schools Line up Courses in Healthcare Management

**PLUGGED IN:** Demand for doctors trained in management grows as pharmaceutical, biotech and healthcare industries expand rapidly. Medical practitioners too look to spread their wings with MBA degrees

### Energy Shot



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MUMBAI

An increasing demand for doctors with business acumen is prompting business schools and top-ranking educational institutions to offer courses focused on healthcare and management, as more physicians opt for management degrees, post-MBBS.

ISB has recently partnered with Wharton School of Management to start a research centre on healthcare. A significant chunk of the students in this course are doctors aspiring for managerial roles. The course offers electives in healthcare along with a specialised management discipline such as strategy, marketing, finance and product management.

Premier business school IIM Ahmedabad offers electives in health management and public health policy in its doctoral programme. "There was hardly any interest among students in healthcare management elective at PHD level until a few years ago. But in recent years, about 20 students from each batch of about 350 have been opting for the healthcare elective," says Prof Dileep Mavalankar, director of Indian Institute of Public Health, Gandhinagar and former professor of health management at IIM Ahmedabad.

Among other top institutes that provide specialised courses in healthcare and management are Tata Institute of Social Sciences, Mumbai; Symbiosis Institute of Health Sciences, Pune; and Indian Institute of Health Management and Research.

Interestingly, ISB has, from this year on, focused 50% of its total scholarships – thus far fully merit-based – on the diversity aspect, wherein people from sectors like healthcare and pharmaceuticals, among others, will be given preference.

"The demand for doctors trained in management far outstrips the supply," says VK Menon, senior director – careers, admissions and financial aid at ISB. The requirement has grown

manifold over the past four to five years, with industries such as pharmaceutical, biotech, medical equipment and healthcare growing rapidly. Domain knowledge in medicine as well as expertise in product management, brand safety, marketing and finance, besides knowledge of people skills, labour laws and strategies is providing an alternate career avenue for medical practitioners who want to branch out into other sectors.

"Companies in pharma, biotech and medical equipment now prefer to have doctors with business expertise. There is also a spurt in demand for this category of people

with the rapid expansion of healthcare industry and setting up of hospital chains that are becoming more complex to run," says Menon.

"Today as an industry, we need a unique value proposition. An MBA degree gives a wider perspective and makes a doctor manager aware of the best practices across sectors that can be applied to healthcare apart from enhancing people skills," says Vishal Beri, chief operating officer, Hinduja Healthcare.

The healthcare sector in India is likely to grow to \$100 billion by 2015 from \$65 billion now, according to an estimate by rating agency Fitch. "The sector is at an inflection point and is poised for rapid growth in the medium term," says a KPMG report.

As opportunities open up in the sector, doctors who are not able to do their masters after their MBBS due to limited seats or high capitation fees are seen branching out to managerial roles. The playing field is huge: Family-owned hospitals are becoming more complex, competitive and professionally-run, while pharmaceutical and biotechnology industries are expanding at a fast clip. "Many of the IIM, alumni

have venture capital funds that are buying into hospitals. And with doctors realising that they need to delegate more management to professionals, there is an obvious spurt in demand for managers," says Mavalankar.

Many doctors do not feel motivated enough to remain confined in medical courses and want to branch out into a different sector. "Some of them see parents struggling to manage their hospitals and hence realise the need for specialised managers who have knowledge of labour laws and people management expertise," adds Mavalankar.

There is also the view that management is an additional field doctors can explore. "An MBA gives a physician wider choice. A rapid-fire, one-year MBA helps them understand the nuances of management," says Dr Ramesh Padavala, director – brand safety, Novartis.

Traditionally, most CEOs and top managers in the healthcare industry were either from the armed forces or the hospitality industry. However, with more corporates entering healthcare, there is need for a larger number of professionally-qualified managers who are familiar with the industry. Hinduja Healthcare has several doctor managers with management degree from ISB, TISS, Symbiosis – Pune and IHMR, says Beri, an orthopedic surgeon, who graduated from ISB in 2008.

"When I entered a medical school, I had not thought of doing an MBA, but now with increasing demand for medical professionals in managerial roles, there is more awareness among doctors, several of whom are going in for management specialisation after their MBBS," he says.

Some like Dr Padavala say, "There is a wide gap between management people and doctors. Most times one does not understand the other side."

Only time will tell if a formal training in management will be able to bridge the gap.

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### WHY DOCS GO IN FOR MBAs

Rapidly-expanding healthcare, pharma, biotech industries seek professionals with domain knowledge in medicine as well as expertise in various aspects of management



Doctors look to move out of the confines of a medical course

Doctors seek to learn labour laws, strategy and people management in order to run hospitals better

### INSTITUTES THAT OFFER COURSES

#### ISB

Tie-up with Wharton School of Management for healthcare research centre

#### IIM-A

Electives in health management and public health policy at doctoral level

#### TISS, School of Health Systems Studies

Masters in health administration, public health in health policy, economics and finance

#### Symbiosis Institute of Health Sciences

MBA in healthcare management