ARTIFICIAL INTELLIGENCE AND THE FUTURE OF BUSINESS EDUCATION IN INDIA

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Abstract
*Artificial Intelligence (AI) is one of the most transformative technologies of the 21st century. Its impact is visible across industries, and higher education—particularly business education—is no exception. Business schools across the world are adopting AI to improve teaching, learning, administration, and research. In India, the integration of AI is still at a developing stage. While surveys reveal that **70% of Indian teachers use AI tools**, their usage is mostly restricted to lesson planning rather than advanced applications such as adaptive learning or automated assessment. In contrast, Indian enterprises are moving much faster, with **59% already using AI in business activities**, and **73% of firms planning to adopt AI by 2025**. This mismatch between corporate adoption and business school practices raises concerns about the readiness of graduates for an AI-driven economy. This paper explores the role of AI in business education, with a focus on India. It examines opportunities, challenges, and the current state of adoption using secondary data, surveys, and case studies. Findings reveal that AI offers immense benefits in terms of personalization, efficiency, and skill development but faces challenges such as high costs, lack of infrastructure, inadequate faculty training, gender disparities, and ethical concerns. The paper argues that AI will not replace teachers but can empower them to focus on creativity, ethics, and leadership. Recommendations include stronger government support, industry linkages, faculty development, and inclusiveness to ensure that India's business education becomes globally competitive.*
Keywords: *Artificial Intelligence, Business Education, Higher Education in India, Digital Learning, AI Adoption, Personalized Learning, Industry 4.0, Teaching Innovation*

1. Introduction

Business education has always been closely linked with the evolving needs of industry. Traditional pedagogical tools such as lectures, case studies, and group discussions have shaped managerial training for decades. However, the rise of data-driven economies and the advent of technologies like machine learning, predictive analytics, and AI demand new approaches.

AI in education includes applications such as:

- Adaptive learning systems that personalize lessons.
- Virtual teaching assistants and chatbots that provide round-the-clock student support.
- Automated grading systems and plagiarism checkers.
- Predictive analytics that identify at-risk students.
- Business simulations where AI tracks decision-making and provides real-time feedback.

In India, despite being one of the fastest-growing digital economies, the **use of AI in higher education is uneven**. Elite business schools such as the Indian Institutes of Management (IIMs) and Indian School of Business (ISB) are experimenting with AI in analytics and admissions, while many state universities struggle with limited digital infrastructure. This uneven adoption creates a **skills gap**, especially when Indian businesses themselves are rapidly adopting AI.

The paper investigates how AI can be effectively integrated into Indian business education, what barriers exist, and how these can be overcome.

2. Review of Literature

Research on AI in education has expanded in the last decade.

- **Luckin et al. (2016)** argued that AI enables personalized learning by adjusting content to learner needs.
- **Holmes et al. (2019)** emphasized that AI fosters engagement and retention through adaptive tutoring systems.
- **Zawacki-Richter et al. (2019)** found that most research focuses on AI in learning analytics rather than administration.
- **Siau and Yang (2021)** highlighted the importance of AI for Industry 4.0 readiness.
- **OECD (2021)** stressed that AI in education can reduce dropout rates through predictive tools.
- **Sharma and Singh (2022)** found that India faces hurdles such as lack of infrastructure and faculty resistance.

India-specific contributions:

- A 2025 CENTA survey reported that **70% of Indian teachers use AI**, mainly for lesson planning (60%) and classroom activities (26%). However, many **misunderstand AI and lack advanced training**.
- IBM's 2024 report showed that **59% of large Indian enterprises already use AI**,

highlighting a **mismatch between business needs and education practices**.
- Business Standard (2025) reported that only **29.6% of AI course enrolees in India are women**, revealing gender disparities in AI skill development.

Research Gap:
Most studies focus on AI in general education. There is **limited research on AI in Indian business schools**, especially regarding its potential to align with corporate AI adoption.

3. Objectives
1. To examine the role of AI in transforming business education globally and in India.
2. To identify the opportunities and benefits of AI adoption for Indian business schools.
3. To analyse the challenges and risks associated with AI integration in India.
4. To provide research-based suggestions for effective implementation.

4. Research Methodology
This study is **descriptive and analytical**, based on **secondary research**. Data sources include:
- Peer-reviewed journals (2016–2024).
- National and international reports (OECD, World Bank, IBM, CENTA, NASSCOM).
- Surveys of Indian teachers and enterprises.
- Case studies of global (Harvard Business School) and Indian (IIM Bangalore) institutions.

Data analysis is done through **thematic review**, comparative tables, and interpretive discussion.

5. Data Presentation
Table 1: AI Adoption in Higher Education by Region (2024)

Region	High Adoption	Medium Adoption	Low Adoption
North America	55%	35%	10%
Europe	48%	40%	12%
Asia-Pacific	32%	45%	23%
Africa	15%	30%	55%

(Source: OECD, 2024)

Table 2: AI Adoption in India – Education vs Business (2024–25)

Sector	AI Adoption	Key Use Cases
Indian Teachers (Schools & Colleges)	70% report using AI tools	Lesson planning (60%), Classroom activities (26%), Limited personalized learning
Indian Enterprises (Large Firms)	59% already using AI	Business analytics, Automation, Customer service
Indian Businesses (All sizes)	23% implemented AI, 73% to adopt by 2025	HR recruitment, Sales forecasting, Supply chain
Women in GenAI Courses	29.6% of Indian enrolees	Indicates gender gap in AI skill acquisition

(Sources: CENTA 2025; IBM 2024; Economic Times 2025; Business Standard 2025)

Case Studies
- **Harvard Business School (USA):** Uses AI simulations where students manage companies with real-time feedback.
- **IIM Bangalore (India):** Integrates AI into admissions analytics and limited teaching functions, but full adoption is slow.
- **Indian Teachers (CENTA Survey 2025):** While adoption levels are high (70%), use remains **basic** and lacks alignment with advanced AI pedagogy.

6. Analysis and Discussion
6.1 AI in Teaching and Learning
Globally, AI enables interactive and adaptive learning. In India, teachers use AI mainly for preparation, not classroom engagement. Business schools should leverage AI for **case-based simulations, financial forecasting, and entrepreneurship projects**.

6.2 Personalized Learning
AI can design learning paths tailored to individual needs. However, in India, lack of infrastructure and high costs prevent full use. Elite schools (IIMs, ISB) experiment with it, but **wider adoption is missing**.

6.3 Assessment and Research
AI aids plagiarism detection and automated grading. Yet, Indian business schools underutilize AI for **predictive analytics, market research, and scholarly writing support**.

6.4 Administration
AI chatbots can streamline admissions and student queries. While IIMs have adopted them, many state universities rely on manual systems.

6.5 Challenges in India

- **Digital Divide:** Rural areas lack internet and devices.
- **Faculty Readiness:** Many teachers misunderstand AI's role.
- **Costs:** High-end AI platforms are expensive for smaller institutions.
- **Gender Gap:** Only 29.6% women in AI enrolments.
- **Policy Gaps:** NEP 2020 mentions technology but lacks specific AI integration guidelines.

6.6 Opportunities in India

- **Industry Linkages:** Collaboration with companies like Infosys, TCS, and Reliance that already use AI.
- **EdTech Startups:** Affordable AI platforms can democratize access.
- **AI for Entrepreneurship:** Universities can set up AI-driven incubators.
- **Government Role:** UGC and AICTE can provide frameworks for AI in curriculum design.

7. Findings

1. AI adoption in Indian education is **present but shallow**—teachers use AI tools mostly for preparation.
2. Enterprises in India are adopting AI much faster than business schools.
3. A skills mismatch exists between what business schools teach and what companies need.
4. India faces **digital divide, gender disparity, and lack of training** as major barriers.
5. Business schools that integrate AI early will gain a **competitive advantage** in global rankings.

8. Suggestions

1. **AI Curriculum:** Integrate AI-driven case studies, simulations, and analytics into MBA courses.
2. **Faculty Development:** Launch nationwide workshops to train faculty in AI pedagogy.
3. **Government Support:** Provide financial incentives and infrastructure for AI adoption.
4. **Public–Private Partnerships:** Collaborate with Indian corporates for live AI-based projects.
5. **Inclusiveness:** Expand access for rural students and women through scholarships and digital infrastructure.

9. Conclusion

AI is reshaping the future of business education worldwide. In India, adoption is happening but is limited in scope. While **70% of teachers report using AI**, most use it for lesson planning, not personalized learning. Meanwhile, Indian enterprises are rapidly advancing in AI adoption, leading to a gap between business school graduates and industry needs.

This paper concludes that AI will not replace teachers; rather, it will empower them to focus on higher-order skills such as creativity, ethics, and leadership. For India, the urgent task is to align business education with corporate AI practices through faculty training, government support, and industry collaboration. If implemented wisely, AI can make Indian business schools globally competitive and prepare graduates for an AI-driven economy.

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