Business education in Pakistan: A pedagogical shift for the future

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Abstract

The development of countries is often linked with their education system. The world is rapidly changing with advancements in innovation and technology, which has compelled countries to improve their educational pedagogy. Those countries that do not timely improve their education approaches to make their people skillful may lag behind the modern world. Business schools in developing countries are facing various challenges, as business survival has become more complex than traditional management practices. Although business schools have grown significantly in number in recent years, many institutions face serious issues, including a lack of qualified educators, weak industry-academia linkages, limited innovation in study schemes, insufficient teacher training, the absence of performance evaluation systems, and higher unemployment of business graduates. These challenges are more severe in business schools; disasters such as COVID-19 have further highlighted the importance of distance learning, while the rise of online businesses has created both new opportunities and challenges for traditional business schools. The solution to these issues lies in a pedagogical shift toward technologically mediated learning, experiential education, incubation and laboratory learning, development of psychomotor skills, integration of Information Technology (IT) based competencies, and the inclusion of entrepreneurship as a core business strategy. In this context, the recently revised HEC curriculum for Business and Management Studies (October 2025) reflects recognition that traditional teaching approaches are no longer sufficient. The revised framework emphasizes outcome-based and student-centered learning, practical exposure, and technology integration. However, several important aspects remain partially addressed, particularly at the implementation level, including industry co-teaching, interdisciplinary collaboration, flexible internship models, digital skills, business resilience, artificial intelligence accountability, and faculty readiness. Therefore, this study found that revision of curriculum is not sufficient;

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faculty development, improved digital infrastructure, and strong industry collaboration are essential to prepare future-ready business graduates for Industry.

Keywords: Business Education, Survival, Pedagogical Shift, Pakistan

1. Introduction

The development of human resources is one of the vital elements for the sustainable growth of any economy (NBEAC, 2022). The developed countries recognized this fact earlier and invested in their education system to make their people highly skilled in various areas of life. Developing countries have recognized these phenomena and are in the process of investing heavily in their education system. Alongside other important areas of education like engineering, biology, computer science, and social sciences, business education, without any doubt, makes an important contribution to the development of any country.

Business education includes business and management-related studies, which include: Marketing, Management, Human Resource Management, Supply Chain Management, Project Management, Finance and Accounting, etc. These soft skills not only add technical skills in the human resource but also insert leadership qualities to smoothly run the businesses. These soft skills are highly in demand in various sectors of the economy, including banking, insurance, business organizations, hotel management businesses, stock trading, and educational institutions.

In most of the current settings, various business schools in Pakistan are offering business degrees for prospective future managers. Business schools started to appear in the 1950s and 1960s as the Committee on Commerce and Education published its report in 1952, emphasizing the need for business schools (Zaheer, 1968). In the traditional settings, Hailey College of Commerce, University of the Punjab (1927), and the Institute of Business Administration, Karachi (1955) were pioneers in business education. Later, the University of Peshawar (1962), Gomal University (1974), and Lahore University of Management Sciences (1984) established their business schools (Ahmad, 2005).

Among the distance learning universities, Allama Iqbal Open University established its department of business administration in 1984. The Virtual University of Pakistan, which is the only online distance learning university in Pakistan, established its department of management sciences to offer business degrees in 2003. This paper adopts a conceptual approach to critically analyze existing pedagogical practices and proposes a reform framework for business education.

2. Current Pedagogy of Business Education in Pakistan

Ever since, business schools have become the first choice for students seeking successful careers, particularly over the past three decades. Through a wide range of undergraduate and graduate business degrees, business schools have come to be regarded as a shortcut to employment, offering attractive remuneration and a clear pathway to career success. They also provide them with a gateway for 73 next-generation leadership (Mainga & Mussa, 2022). In the past three decades, the expansion of business institutions has highlighted the need for stronger mechanisms to ensure educational quality. Business education can't be learned in isolation,

exclusively in a classroom setup, since business is not just a theory; it's practice. A successful businessman cannot be produced in just a classroom where he is attending lectures. In Pakistan, most of the business schools are following a traditional approach. The assessment is based on testing of memory rather than learning new soft skills, particularly in academic settings. The bookish knowledge failed both students and faculty to learn how to interact with suppliers, they never made advertisement campaign and never perform practical financial analysis of any firm in a corporate structure.

Currently, the Pedagogy of teaching business at various business schools is called the traditional approach, which is also known as teacher cantered approach. In this approach, teachers transfer knowledge through textbooks and requires from learners to replicate it (Nieman & Monyai, 2006). Mostly, this approach demands from learner memorise and recite theory without the inclusion of critical thinking and problem-solving techniques (Fares, 2019). The traditional teaching produces mediocre learners who have zero knowledge of practical business. This approach produces graduates without the necessary business skills and deep knowledge required at workplace or for self-employment (Ekunno, 2010).

Along with the pedagogical issue, there are various other problems which are associated with business schools including; outdated curricula which is one of the major issue behind the inferior quality as the curricula for business education was provided back in 2012 where as for commerce was provided in 2014 by Higher Education Commission (HEC) of Pakistan, however, just recently HEC has revise the curriculum of commerce in 2025. The world has changed in last decade due to globalisation, digitalization and innovation. Current curricula are no longer relevant to the needs of students who have to deal with the future business world. Directionless business education is another problem due to massive political and economic distress, which results in an underdeveloped business infrastructure in Pakistan. Students are unable to develop critical thinking, innovation, and creativity.

Lack of professional faculty members, who do not possess sufficient corporate and business experience alongside their academic qualifications, prevents them from instilling real-world business experience in students. Insufficient training of faculty members is also linked with their inefficiency (Smith & Hudson, 2017). The examination system is likewise flawed, as it largely focuses on assessing students at initial levels of cognitive learning and fails to utilise standard assessment processes that gauge field experience and higher-order learning outcomes (Marshall & Carson, 2018; Chandio et al., 2024).

Absence of linkage between industry and academia is a serious problem, as the industry can only provide the real problems of the industry. The teaching of business in isolation through books without knowing the local business problems is a waste of time and effort (Khan et al, 2011). Absence of a performance evaluation system as the universities follow the Annual Confidential Report (ACR) for teachers' evaluation, which is mostly used for hiring and firing. It is not used for identifying the real causes of inefficiencies and how to improve the quality of business teachers.

Apart from the traditional business schools, the problems of the business schools working in an online distance learning environment are of a more challenging nature due to a lack of interaction with students, particularly students living in rural areas face problems in this regard.

3. Future Pedagogy of Business Education in Pakistan

Teacher-centered pedagogy is no longer relevant in the current business environment. It is now proposed to shift towards constructive pedagogy, as the classroom-centered era is over (Muhammad, 2015). It is time to actively participate in learning while simultaneously understanding the practical requirements of the future business world. Learners are not just recipients of knowledge but active participants in the co-creation of knowledge (Meece, 2003). Therefore, it is essential to improve the curricula of business education considering current technological developments, including digitalization of businesses, online entrepreneurship, freelancing skills, fintech, and business analytics (Mbise, 2020; Gcabashe, 2024). Understanding tax and business laws to establish national and international ventures, integrating local and global trade examples, is also crucial to make students more skillful (Eisenstein et al., 2021). These are the minimum compulsory skills to run future businesses and enterprises.

The requirement of team teaching involves not only qualified teachers but also entrepreneurs and business leaders with practical experience (Awaysheh, 2017). Moreover, field tours provide opportunities to observe live projects and put theory into practice, allowing students to learn how to make the best business decisions. Group assignments should also include students from a variety of disciplines to develop teamwork in an innovative and challenging environment (Awaysheh, 2017).

Experiential education should be emphasized by making internships compulsory during study programs (Suharto et al., 2021). In addition, business and experiential plans should be incorporated into specialization courses in consultation with industry partners. Furthermore, incubation centers should be encouraged to enhance entrepreneurial skills, as online businesses have enabled young entrepreneurs to reach larger markets (Malywanga et al., 2020). Incorporating practical business and entrepreneurial plans in consultation with industry will help students identify the strengths and weaknesses of their business ideas (Malywanga et al., 2020).

The management of business is no longer a problematic issue; now the real problem is the survival of business, and to cope with the ever-changing business challenges. Business education without Information Technology (IT) is no longer effective. It's a compulsory skill for business graduates to work internationally. It is important that business students can handle online business and have knowledge of programming and business analytics.

The online distance learning business school can also improve its quality in various ways. For instance, to develop industry understanding for both rural and urban students, it's important to increase the number of webinars by industry-experienced professionals. Their interaction can be incorporated into course lecture videos to transfer the real practical knowledge to business students. Group assignments should be encouraged, and students should be allowed to make their team geographically or virtually. It will develop team management abilities in them in a diverse environment, which is the need of the time. Presentation of their course projects/assignments should be conducted online to boost their confidence, particularly in specialization courses. In addition to that, it is also important to include technologically mediated learning to improve the quality of business education; MOOCs, Coursera, and Digiskill courses should be added in curricula of business schools in Pakistan as optional

courses to boost the exposure of students. The significance of these courses was well recognized during the time of pandemic COVID-19.

The link between Chamber of Commerce across Pakistan should be developed for internships/field tours for students in the surrounding areas of their hometown. Otherwise, online work from home internships should be encouraged to serve the purpose, as it was carried out during the pandemic COVID-19 pandemic. On-campus lectures and activities should be encouraged to develop the skills of students who are working in isolation. Such pedagogical reforms are aligned with SDG 4 by ensuring inclusive and quality education and with SDG 8 by fostering skills for productive employment and entrepreneurship.

4. Strengths, Limitations, and Future Directions of the HEC Business Education Framework 2025

The recently revised HEC curriculum for Business and Management Studies in October 2025 shows recognition that traditional teaching approaches are no longer sufficient for the changing business environment. The policy emphasizes outcome-based and student-centered learning, practical exposure, and the integration of technology in business education. Areas such as entrepreneurship, business analytics, fintech, digital business, internships, and industry engagement are well highlighted in the new HEC framework. In this sense, many of the future directions discussed in this study, including curriculum improvement, experiential learning, and alignment with labor market needs, are broadly addressed in the HEC document.

However, several important aspects are still only partially addressed at the implementation level. Although the HEC framework encourages industry involvement, it does not clearly define mechanisms for team teaching where academicians work together with entrepreneurs and business professionals. Similarly, there is limited guidance on how students from different disciplines can work together through structured group assignments and joint projects. Moreover, while internships are compulsory, flexible models such as virtual internships, region-based industry linkages, and formal collaboration with Chambers of Commerce and industry are not clearly included, despite their potential to improve access for students from remote and rural areas.

More importantly, some emerging challenges of the future business world are not sufficiently reflected. Business education should move beyond traditional management functions and focus more on business survival, resilience, and the ability to cope with continuous change and uncertainty. In addition, information technology skills, basic programming knowledge, and business analytics should be treated as compulsory competencies for all business graduates rather than optional or supporting skills. The formal inclusion of MOOCs, online professional courses, and digital skill platforms within business curricula is also needed to enhance students' global exposure and employability.

While digital business is discussed in the HEC framework, greater emphasis is needed on platform governance and regulation of digital markets, including issues related to competition, data ownership, and cross-border operations. In addition, as artificial intelligence becomes part of managerial decision-making, future business graduates must be trained to understand human accountability in AI-supported decisions. It is also supported by a study in which the investment in digital approaches and new technologies, such as artificial intelligence and blockchain, was considered essential by the interns (Novak & Kolar, 2025). Moreover,

business programs should incorporate structured learning on business continuity and geopolitical risks, as these factors now directly affect organizational survival and strategic planning. Climate adaptation from an operational and financial perspective should also be emphasized, particularly in relation to supply chains, cost management, and risk assessment. The strategic use of big data should not be limited to profit maximization alone; business education must also prepare students to use data for public and social value, supporting inclusive growth and sustainable development.

Finally, just including these new things in the curriculum is not enough to achieve the learning goals. It is also very important to provide continuous training and professional development for teachers so they can effectively teach advanced subjects like digital business, AI in management, platform-based markets, and global virtual work environments. At the same time, business schools need to improve their infrastructure by updating digital learning platforms, data analytics labs, simulation tools, and virtual collaboration systems. Without well-trained faculty members and modern facilities in collaboration with industrial personnel, it will be impossible to prepare business graduates who can meet the practical and strategic needs of Industry 4.0 and the fast-changing global business world. Research highlights the role of AI, VR, and gamification in business and management. Moreover, challenges including the digital divide, faculty training, and ethical considerations are also important (Santos-Jaén, 2025). Addressing these areas would further strengthen the HEC framework and better prepare business graduates for the future workplace.

5. Conclusion

The founding father of Pakistan once said, "Education is a matter of life and death for Pakistan. The world is progressing so rapidly that without requisite advance in education, not only shall we lag behind others, but maybe we will be wiped out altogether". The literature on pedagogy of business education reveals that teacher centered method is mostly popular. Teacher-centered pedagogy is no longer relevant to business education. The recent development in the business world required that there is need of shift from teacher centered padagogy to constructive pedagogy. Because it is believed that constructive pedagogy results in deep learning outcomes. Although the business schools are growing at a fast pace, they are facing various issues, including a lack of qualified teachers, a missing link between industry and academia, a lack of innovation in study schemes, insufficient teacher training, an absence of a performance evaluation system, and higher unemployment of business graduates. These problems are of a severe nature in the case of online distance learning business schools, as they are operating both in rural and urban areas. Moreover, the number of online businesses has increased significantly in recent years.

The solution to these issues is a pedagogical shift towards constructivist pedagogy. Experiencing what the practical requirements and co-creation of knowledge with active participation are all needed to grow the managers of the future business world. Moreover, technological mediated learning, experiential education, incubation and laboratory learning, inclusion of Information Technology (IT) based skills in business curricula, and inclusion of entrepreneurship as a business strategy. In addition to that, the business education system should be improved while considering both local and international business education. Students must be tested in the real world by developing skills and testing them through projects, internships,

and start-ups. They should themselves develop products, launch a launch campaign, and include team members as entrepreneurs.

Finally, it is also important to mention here that just shifting towards constructivist pedagogy is insufficient to achieve the desired goals. This shift must be supported by trained faculty members and an updated digital infrastructure. Business schools need continuous faculty training, improved learning management systems, data analytics labs, simulation tools, and strong collaboration with industry personnel. As the future business world is increasingly influenced by digital platforms, AI, uncertainty, and global risks, business education must focus on developing resilience, ethical decision-making, and technology-related managerial skills among students. Without a coordinated effort from HEC, business schools, and industry, curriculum reforms may remain theoretical and insufficient. Therefore, we required a comprehensive implementation framework to prepare business graduates for Industry 4.0.

The HEC and the National Business Education Accreditation Council in Pakistan have to revise the current curricula of business schools while considering the future requirements of businesses. Now, it is necessary that international and industrially acceptable criteria should be developed while considering constructive pedagogy for business education. The evolved criteria must be revisited periodically to keep them relevant to the current business world.

Future directions can be empirical in nature, including a comparison of the level of satisfaction among students at business schools that have adopted teacher-centered pedagogy versus constructivist pedagogy in Pakistan. Moreover, a comparison of the performance of business schools in both developed and developing countries can be another area of research. Furthermore, a comparison of student satisfaction in learning from teachers with corporate experience versus teachers with only academic experience may also be an interesting study. Finally, future research may examine strategies that can be used to effectively implement constructivist pedagogy in the classroom environment.

Conflict of Interest: The author declares no conflict of interest.

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