



Industrial Expectation from MBA Graduates

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ABSTRACT

The purpose of this study is to review scholarly research on industrial expectation in the context of the Master of Business Administration (MBA) graduates in India. This paper provides an overview of the critical themes and identifies research gaps for future investigations. A corporation expects certain attitudes and skills from recent business school graduates, which were the main topics of this study. The survey's questionnaire was created to evaluate the gap on these key characteristics. In order to implement corrective steps, the findings may be important for both the employer and recent graduates. Universities can concentrate on these areas as well to improve graduates' skills. The business world should also keep its aspirations in check with reality.

Keywords: business school graduates, Attitudes, Skills, research gaps.

Introduction

Master of Business Administration (MBA) programs are valued and meaningful by the business community all around the world. Each company has its own standards for employment. On the one hand, finding employment for fresh MBA graduates who don't have a crucial experiences and abilities for employability. On the other hand, businesses suffer if their staff members are ill-prepared to handle problems that call for a specific and useful skill set. As a result, employers look for applicants who can consistently perform at a high level, learn new skills quickly, and have the skill sets needed to address both basic and complicated challenges (Bhatnagar, N. (2021)).

Globally, as per AICTE report 2018, there are 13000 plus business schools providing MBA program and India counts for one third of them which indicates there is an extensive growth of management education. However, the literature suggests that, there is dreadful situation in the quality of management education which has to be taken seriously. Before it further deteriorates the quality in management education needs to be enhanced by raising the bar or by establishing bench mark with the quality standards. However, there are few institutions in India who have accreditation internationally with (AMBA) Association of MBA, (AACSB) Association to Advance Collegiate Schools of Business and (EQUIS) (EFMD) Quality Improvement System European Foundation for Management Development. Furthermore, many MBA programs in India not only at University level but also those in private Institutions are still laggards in seeking international accreditation. But some institutions of good repute are accredited by National Board of Accreditation NBA and National Assessment and Accreditation Council (NAAC) and many more are in pipeline in seeking this accreditation. Furthermore, to counter the deteriorating situation of the quality management education in India AICTE has set a mission to rejuvenate MBA and PGDM programs by revising curriculum. While the top premier institutes like the IIMs and other private premier institutes like the XLRI, S P Jain, and T.A Pai are already in line with the current trend scenarios by revising their course curriculum.

Graduates from MBA programs must have the fundamental skills that employers look for. These competencies could be condensed into the hard and soft management talents. According to the research of Buhler (2005), Davis and Miller (1996), Mills (1994), Soehren (2001), Strebler (1997), and Tilley (1992), interpersonal, problem-solving, teamwork, and oral communications are skill sets that have historically been referred to as "soft skills." Technical, numeric, computer, and textual communication skills have been referred to as "hard skills." According to an assessment of the curricula, higher education teaches the hard skills (Porter & McKibbin, 1988). On the other hand, there is a lot of controversy and discussion regarding the development of soft skills in MBA classrooms. MBA graduates frequently complain to recruiters that they have mastered the hard skills of accounting, finance, and marketing but fall short in the soft skill categories (Eberhardt & Moser, 1997).

Management education program produces protean graduates who can build and strengthen the connection between business and society. It takes in its stride a multidisciplinary approach to education. It is engraved with intellectual traditions drawn on all the knowledge and insights from theories and concepts of humanities and social sciences including economics, psychology, mathematics, and statistics. The subjects such as organizational behavior, strategic business, finance, business laws and policy and many more like these trace their intellectual roots to these social sciences. Students with basic understanding in these fields drawn from their under graduation level and their successive management education experience – will develop a broad base for taking up future challenges. In fact, one highly well-known management lesson that brings to light is that always profit needs to be maximized and costs to be minimized. Thus management education directly influences the effectiveness of organizations and always prepares individuals to analyze

complex challenges in organizations and render solution to them. Business Management courses have been taught in many institutions of higher education since the beginning of the 20th century and since then Masters in Business Administration (MBA) education has seen phenomenal growth and is now recognized as a most advanced degree in the corporate world. It has lead from the front in producing theories and cutting edge ideas that have helped organizations in improving their efficiency and effectiveness thus creating essence of knowledge for the success of new organizations.

But as of today the scenario is completely changed - it is evident that changing business scenarios due to rampant change in technology - new technology emerging and the older one getting obsolete. Therefore it is paramount that management education should be dynamic and pro-active and should be a good-fit in responding to these fast changing scenarios where our pedagogy should meet these new needs. Thus Management education should provide graduates with bundle of skills, competencies and capabilities to build a career that facilitates meaningful contributions to every pursuit of life, whether one wishes to be entrepreneur or working for a manufacturing or service sector. Its aim should be to generate significant Tangible and Intangible inputs to careers and their employing organizations. Tangible asset meaning an MBA graduate should become a tangible asset to the organisation with complete pack of attributes that he has earned and learnt from Management program. Intangible asset meaning – knowledge gained from Management program in order to put the Employers into profits by the optimum and most productive utilization of man and materials, while an indirect positive effect is implied on the economic front of the country as a whole. If this has to be seen on reality bases on ground in today's world then – management students must be equipped with thorough discipline knowledge, skills, and abilities that can be transmitted through a comprehensive set of management education experience. In addition to mastering discipline knowledge or technical skills, students must develop generic skills that are communication skill, working in team, time management, leadership and critical thinking. Also acquire knowledge of ethics, social responsibility, law, and public policy which are evident in their career success. To meet all this, in this new age of globalization, the quality of management education by enlarge depends upon the collective efforts of the educational system as a whole, the educational institutions, Universities and the faculties. Management education can be really strong when all these three pillars of education uniformly blend. However, above all this, the MBA program curriculum today has to be customized with the Industry requirements so that there is a flawless synergy between Academia and Industry.

It has been found that 90% of graduates coming out of Indian academic institutions are unemployable. Some of the important factors are lack of skills and practical exposures required for the industry. Adams Smith concluded that 'a man educated at the expense of much labor and time may be compared to one of those expensive machines... and the work he learns to perform should replace him the whole expense of his education' (Mulongo, 2012)

The main objective of the research is to find out the mismatch between the output of education on management graduates and the requirement of the industry.

Issues of Management Education

There have been many studies done by researchers on management education in which various challenges, issues and implication have been pointed out. The subsequent section discusses about the contribution of different researchers that they have given for management education. Margaret Mac Namara et al (1990), emphasized on action learning in management education as management institutes focus more on theory and on quantitative techniques and analysis while not giving any due importance to the interpersonal relationship and qualitative thinking. Further, the authors state in their study that management education should be active learning, problem oriented, experiential learning-based and should be modified by the feedback and action learning which will serve the purpose. Basu Sharma et al (1996), pointed out that business schools have to raise their standards to compete internationally. The dimensions considered by them in internationalization of management were change in curriculum, more research activity based learning in terms of relevant content delivered and executive development programs. Zlotkowski (1996), criticized contemporary business education and his highlights of the study were, teachers should take a lead in developing curricular projects which should link to the community needs. By doing this it will not only enhance the technical skills of the students but also develop their inter-personal and inter-cultural skills. Thus, enhancing their ethical sensitivity. Boyatzis et al. (2008), conducted their studies on six full-time and three part-time cohorts of business schools. The study revealed that cognitive and emotional intelligence competencies could be developed in MBA students, but not within a typical MBA curriculum. Gill & Lashine (2003), opined management education is under sharp scanner due to globalization and advancement in information technology. Therefore, it is paramount for the business schools to align their education that is their teaching-learning impartment with the requirements of the global market. Furthermore, with reference to management education in India (Irala L.R, 2006), was of view that 'management education in India is at cross roads' that is one needs to take a very important decision at this juncture. He further sates with the light of this new millennium we have seen mushrooming growth in management institutes in India, to upgrade its competencies – 'financial autonomy will be the key and academic autonomy the major drivers'

Literature review

Assocham (2016) reported that only 7% of graduates who graduated from the top 20 B-schools in India could obtain satisfactory jobs and were considered employable in the industry. The remaining 93% of graduates from mid- and low-tier business schools either endured protracted periods of unemployment or chose positions paying only INR 8,000–10,000 per month. Lack of practical, hands-on training for business school graduates and faculty members' limited industry understanding are two major contributors to their low employability. Similar to this, Aspiring Minds (2012) claims that over 90% of graduates from B-school degrees in India are unemployed, indicating a huge knowledge and resource gap that negatively impacts their chances of finding employment.

Webster and Watson (2002) stated that when a body of research exists on a specific topic, a thorough review of such studies that synthesizes and integrates existing research articles stimulates further research on the subject. The evidence presented in this section outlines the role of MBA education in the development of critical employability skills and the existence of the skill gap. However, to the best of the author's knowledge, no integrative review on the employability and skill gap of MBA programs in India to synthesize the relevant literature has been carried out.

Saxena Nishant (2007), CEO of Elements Academia, a brainchild of IIM alumni who helps under-performing B-schools with placements and admissions, says - only 30-40% graduates were managed to be placed in most tier-2 B-schools with an initial pay of Rs 12,000 - 18,000 per month. Out of 200 B-schools interviewed in a survey, 197 schools and students expressed regret in taking admission to these colleges. Saxena further reveals that there are fundamental issues of academic delivery quality as most run-of-the-mill colleges spend less than 10% of their revenues on actual academic delivery.

Management as a definition we all know is the process of getting things completed efficiently and effectively by and through the people. It is concerned with the coordination of business activities, streamlining of operations – which enables to achieve pre-defined goals and objectives. According to (Drucker Peter) 2005, management tasks include both marketing and innovation. Management consists of the interlocking functions of the organization as a whole thereby creating corporate policies. These policies help to achieve objectives by planning, organizing, controlling and directing organization's resources in an optimal manner. Further, in order to evaluate a company's current and future worth it is said that the responsibility lies on the most important factors of the quality and experience of the managers. Mary Parker Follett, who in the early twentieth century wrote about this subject, described management as the art of getting things done through people. According to F.W. Taylor Management is an art of knowing what is to be done and seeing that it is done in the best possible manner. According to Koontz et.al (2009), It is the Process of designing and maintaining an environment in which individuals, working together in groups efficiently accomplish selected goals. As we try to understand these definitions the word 'Management' itself signifies that it is through managing of people effectively and efficiently we can build and accomplish goals and objectives of the organizations. Thus, Management education has become an integral part of any business establishment in today's world.

Research Methodology

Research methodology is a scientific and a systematic way to solve the research problems identified through literature review. It involves specific techniques that are adopted in research process to collect, assemble and evaluate data. It defines the tools that are used to gather relevant information in a specific research study. Surveys, questionnaires and interviews are the common tools of research.

Hypothesis of the study

Based on the above discussions and the objective of the study, hypothesis for the study is developed.

Hypothesis 1: There is a significant difference in business school graduates' actual attitude and employer's expected attitude.

Hypothesis 2: There is a significant difference in business school graduates' skills and employer's expected skills.

Data collection

A sample size of 180 respondents comprising managers and supervisors from 10 organizations was decided to be examined. The instrument used for data collection was a structured close-ended questionnaire. The questionnaire is of three sections, first section is of the demographic profile of the respondent, second section consists of questions based on actual and expected attitude of the business school graduates and the third section is of actual and expected skills of the graduates. The data analysis was carried out using SPSS.

Results and Discussion

Hypothesis 1: There is a significant difference in business school graduates' actual attitude and employer's expected attitude.

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.624	2	.312	1.240	.040 ^b
	Residual	712.056	549	1.297		
	Total	712.679	551			

Interpretation:

The observation of ANOVA results demonstrates that there is a significant variation in actual and expected attitude of the business school graduates, with a p-value of less than 0.05. Thus we reject the null hypothesis and accept that there is a significant difference in business school graduates' actual attitude and employer's expected attitude.

Hypothesis 2: There is a significant difference in business school graduates' skills and employer's expected skills.

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.624	2	.312	1.240	.040 ^b
	Residual	712.056	549	1.297		
	Total	712.679	551			

Interpretation:

The observation of ANOVA results demonstrates that there is a significant variation in actual and expected skills of the business school graduates, with a p-value of less than 0.05. Thus, we reject the null hypothesis and accept that there is a significant difference in business school graduates' skills attitude and employer's expected skills.

Conclusion and Suggestion

The results discussed above shows that there are significant difference between expected and actual skills, and expected and actual attitude. These hypothesized results are consistent with the study done by Nicholson and Cushman (2000) which also found there is a difference in expectations of the industry from the performance of fresh graduates.

The research suggests that the most important area for the industry were attitude, followed by knowledge and skill. The industry expectations are quite high. They want business graduates equipped with proper knowledge, attitude and skills. To reduce the gaps, both the business school and corporate has to take a step-in order to achieve desired outcome. Business schools need to work on these following areas: practical learning, relevant case studies especially Pakistani based case studies and curriculum based on corporate demand. It is suggested that business schools should focus on critical thinking methods in order to meet industry requirements. Furthermore, this learning must be assessed by the business schools in the form of assessment criteria, so that a clear picture can be viewed in the form of learning curve and how much in percentage the skills had been transferred.

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