



ज्ञान-विज्ञान विमुक्तये  
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## **Contemporary Education System in MBA Colleges and Corporate Employment Skills - A Gap Analysis**

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**A Minor Research project Report Submitted**

**To**

**University Grants Commission**

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# **Contemporary Education System in MBA Colleges and Corporate Employment Skills - A Gap Analysis**

## **Executive Summary**

Across the world, MBA degree has been very popular and one of the most sought after and India is no exception. Tens of thousands of MBA graduates pass from various universities and institutes every year across the country. But for last about five years or so, industry experts have begun to ventilate their feelings that only a very small percentage of MBA graduates are employable. It is also expressed that most of the MBA graduates do not possess the skills suitable for the industries. There are also innumerable studies to conclude that barring the IIMs, only a few of the management institutes are able to boast of quality management education that can help their graduates secure employment. In majority of the cases those secure the job have initial salary rupees of 10 to 12 thousand per month after spending lakhs of rupees on the education. Economic slowdown has impacted the campus recruitment process also. According to a published study campus recruitments have gone down by a whopping 45 per cent, due to the economic slowdown from 2014 to 2016. On one hand compromised quality education, on the other hand reduced job opportunities have resulted in closure of many MBA colleges across the country.

A management education programme is expected to train the students with managerial skills through exposure to case studies, teaching by experts, industrial training, consultancy and research and interaction with industry leaders etc. This is in view that when management students enter the corporate arena, they can efficiently identify various issues and come out with the best possible solutions to tackle them through their multifaceted skill sets.

The research suggests that there is a gap in terms of importance attached by management institutes and corporate on factors influencing the job selection like employability skills and its relationship on placement of management students. Hence the current research identifies its topic of research as “Contemporary Education System in MBA Colleges and Corporate Employment Skills” - A Gap Analysis.

### **Objectives of the study**

1. To know the suitability of business school pedagogy from the view point of corporate employers
2. To identify the gap between the skills required and corresponding training by MBA colleges
3. To understand the motivational factors for the MBA teachers in MBA colleges

### **Research Methodology**

Present study focuses on objective knowledge with regard to the gap between the skills imparted in MBA colleges and the corporate Employment Skills. Hence research questions were designed for faculty members of MBA colleges and industry managers. The empirical-analytical approach helped in deductive reasoning while existing premise served as a foundation for formulating objectives of the study.

### **Sample Size**

216 faculty members responded out of 250 from all across Karnataka namely Bangalore, Mysore, Chamrajnagar, Belgaum, Hubli, Dharwad, Mangalore, Udupi, Chikkamagalure, Shimogga and Hassan. There were 23 out of 100 responses from the industries comprising of multinational and large Indian companies. Both manufacturing and service organizations were selected.

## **Limitations of the Study**

1. Many faculty members keep changing the colleges for better prospects resulting in the limited knowledge about the present college and/ or mix up their present and previous experiences.
2. Faculty members hesitate to disclose the complete information with the lurking fear that college management may not like the divulgence of information.
3. Many companies/business organization went into remodeling after demonetization

The present study can be seen as an attempt to address the gap and to stimulate more research and debate on this important topic.

## **Salient Findings**

The study reveals that the present day management curriculum is not in league with preparation of the managerial job positions in corporate sector, which expects a wide range of employability skills in order to face the inherent -- internal and external challenges. Therefore, although large number of Management graduates is churned out ever year in our country, it was observed that multinational companies face the shortage of talented MBA graduates which means supply does not match the demand. The reason as stated by most company managers that knowledge of and appetite for Entrepreneurship skills are much below industry – expectation.

Corporate managers felt the difference between the students from conventional business colleges and B Schools in our country. The gap in terms of entrepreneurial mind and skills set with respect to managerial qualities is widening down the years between these student groups, passed out from conventional business colleges and B schools.

The curriculum is not dynamic in the colleges affiliated to universities, as it takes a long time to change the syllabus, giving rise to increased gap in skills expectation from industry.

A good number of faculty members feel that business education market over the years has been liberalized. And Indian business schools have sought to replicate the US-based model but are struggling to introduce adaptations suitable to our work culture.

Yet another reason was that most MBA faculty members experience the insecurity feeling in their job with private colleges. The reason (as expressed) was unemployment and lack of skills to work in industry that are ready to work as faculty members for low remuneration. The pay scales are not implemented in the colleges. It was also ventilated by many faculty members of private management colleges that there are no motivating factors - extra allowances, and remuneration and also far below their counterpart in government sector and much below corporate sector.

## **Conclusion**

In the Post liberalization era even the start-up companies have begun to adopt various new strategies to acquire best and skilled talents. This has been the need of the hour to survive, grow and succeed commercially in the highly competitive market. This plan of action range from picking the talents from campus to reorienting the potential candidates to newly demanding expertise. Now, it is widely known that the gap between academia and industry is widening day by day. It is in the best interest of students that academic institutions, industry and Government, must align for exchange ideas. The minutes of such brainstorm must form the basis of the management education syllabus. Periodical assessment of the progress and suitable amendments may help bridge the gap further. This has a larger perspective than just what meets the eye,

as more and more students from rural background are opting for MBA degree. Therefore, only a holistic development by converging the ideas of all these three sectors (academia, industry and Government) will help the students to acquire the employable skills. In today's market, change is the only constant and efforts should be made to make the students appreciate the “continuous learning habit” .In order to achieve this goal, MBA colleges need to attract, retain and foster the teachers with industrial experience background. As only a competitive compensation and professional atmosphere can achieve this, college administration must think it as an investment rather than expense. This will undoubtedly strengthen academia-Industry linkage to groom the students to become effective future managers. This is also in line with the prime minister’s vision to become an empowered economy at the global platform.