

A Degree MBA Finance and its Compatibility with the Corporate World

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Abstract

In this paper, we have focused on management education's present status, especially Finance in India. The key issues have been found for bringing efficiency, sufficiency, and equity in the overall Indian higher education system including management education. Power of the head and heart, skills, and knowledge (ASK) are the engines of the economic growth and development of humans in India. In reality, we are responding more effectively and promptly to globalization's challenges and opportunities, which means internationalization of Indianization for all of us. It has created a large number of jobs for skilled management professionals. According to Indian Economic Survey 2021-22, India is becoming the youngest nation with the largest manpower in the world which possesses the potential to become an economic superpower. In today's cut-throat competition management education is required to fulfill the requirements of the corporate world but management institution production .93 percent of MBA graduates are unemployable, and only 0.7 percent of students are employable as per the report of Time of India. Problems with management education in India Amidst the 10 lacs plus management graduates churned out by the 5,500 B- schools in the country.

Keywords: - Introduction, Role of MBA finance, challenges, and opportunities, conclusion.

Introduction

An MBA in Finance course equips students with in-depth studies related to finance, such as management, control, and assessment of collection investment, and other resources. This two-year post-graduate degree prepares students for various management roles in finance sectors. They also focus on different areas of finance to manage tactfully to maximize the returns of the business firms.

We know finance is everywhere whether the organization is small or big without finance we can't imagine managing all kinds of economic activities. Early it was an integral part of economics. We study it under economics as time has passed finance become a separate part of the study. Now people study it as a separate specialized branch. As time has changed finance become more complex because of competitiveness. Currently, business schools are on the wrong path. They are only targeting scientific research & assumption-based research and very less focus on the practical aspect of finance.

Background of the study

MBA (Finance) degree earned respectability in academia and status in the business world. This degree gives greater packages for graduates ever-more dazzling. In the cutting-edge scenario, criticism is blamed for failing to impart beneficial skills, failing to make leaders, and strengthening norms of moral behaviours even failing to lead budding managers to achieve good jobs.

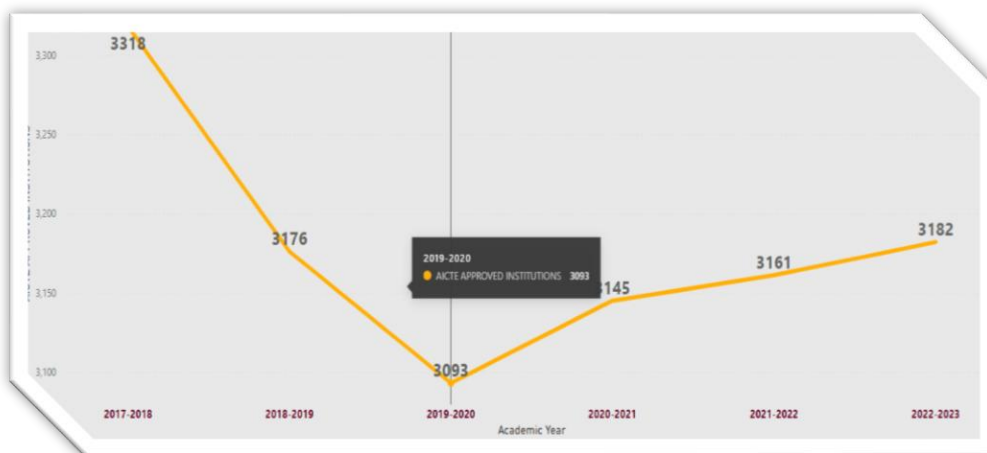
This is highly criticized by students, employers, and the media, but also from deans of some of America's most prestigious business schools, including Dipak Jain at North-western University's top-ranked Kellogg School. One

outspoken critic, McGill University professor Henry Mintzberg, says that the main culprit is an MBA Finance curriculum is less relevant to corporate.

The problem with management education is that they are not measuring the performance of management graduates but they are assessing themselves on the basis of single academic excellence. They also would not focus on the faculty's understanding of the business activities. They don't focus on the business opportunities how we can find out, how the business grows, how to manage financial activities to become wealthy, how their business will generate revenue, and how they can manage their precious time to earn more value.

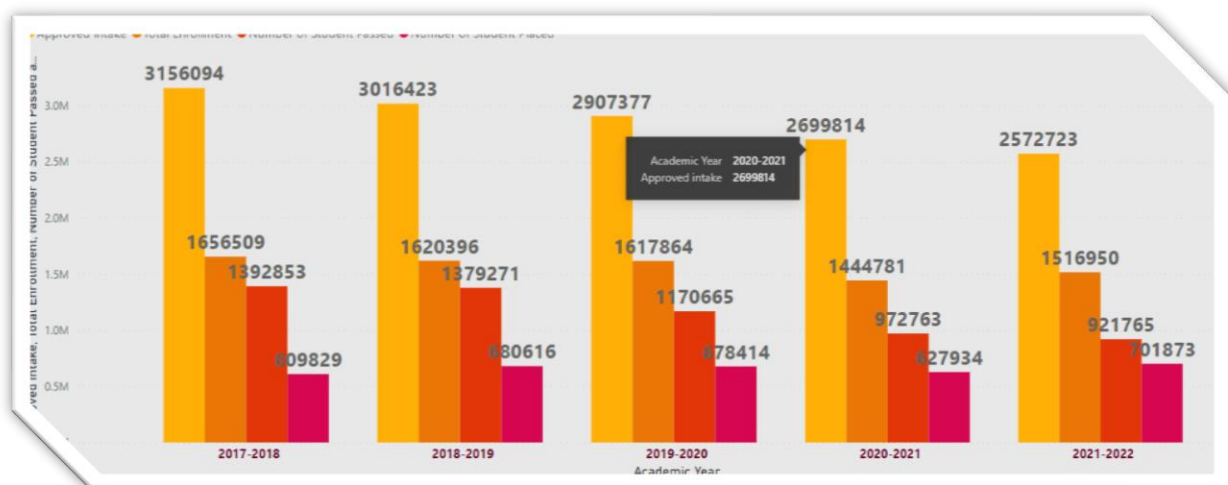
Management education in India

As per the report of AICTE



AICTE-APPROVED MANAGEMENT INSTITUTION IN INDIA

(DATA SOURCE -AICTE)



YEARWISE AICTE-APPROVED INTAKE, TOTAL ENROLLMENT, NO OF STUDENTS

As per the report of higher education from 2015-2016 to 2022, the intake of management seats is decreasing year by year or seats are vacant because the interest of management students in management education is decreasing year by year.

Review of literature

The research of the Harvard Business Review article, (May 2005) they produce is excellent but, because so much of it fails to reflect the way business works, as his prediction on the faulty assumptions the business is an as same discipline just like chemistry and physics. The Business calls upon the work of many academic disciplines. For medicine, we study biology, chemistry, psychology, and so on for business they include mathematics economics psychology philosophy, and sociology, disciplines.

In India, most business schools focused on a twofold mission: to provide education and to create knowledge through research. During the study It is found that MIT's Sloan School of Management was known as course XV, Industrial Management," its production management class was taken by the manager of a nearby General Motors assembly plant.

That was undoubtedly beneficial for the students but hardly professional, education. Harvard Business Review 2005 stated that the demand for managers has increased in the post-war economy. Ford and Carne Carnegie issued devastating reports on the woeful state of business schools studied business schools' respectable academic underpinning and offered grant money toward achieving that end. The top ten business schools are treated as law schools. Most institution hires a professor who has been involved in research but they should hire faculty from the industry who has practical knowledge of how the industry works, and how it is set up either his or her performance would not be up to the mark, however, his industry experience will help to management graduate to reach out their goal.

Elite b-schools aspire to the standards of academic excellence that the hard disciplines embrace—a phenomenon that S.R. Clegg and A. Ross-Smith have termed “physics envy.” In departments like physics and economics, top faculty members have few responsibilities other than to their disciplines: They are not required to train practitioners or to demonstrate practical uses of their research; they are free to do whatever research they choose and to produce subsequent generations of scholars even more focused than themselves. In this scientific model, the university exists primarily to support a scholar's research. For the most part, universities accept this arrangement and the intellectual premise on which it rests, namely 3 Do not quote. Revised version to be published as copyrighted Harvard Business Review article, May 2005. that universities help society advance by supporting scientists who push back the boundaries of knowledge, leaving the practical implications to others. It's much different in law and medical schools, where the outside world is explicitly involved. Law schools expect their faculty to be first-rate scholars, but they also value their ability to teach. Articles published in law reviews are cited in real trials. Medical schools do cutting-edge biological research, but most members of the teaching faculty are also practicing medical doctors. So why have business schools embraced the scientific model of physicists and economists rather than the professional model of doctors and lawyers? Although few b-school faculties would admit it, it may be because professors like it that way: It gives scientific respectability to the research they enjoy doing and eliminates the vocational stigma business school professors once bore.

In short, the model advances careers and satisfies the egos of the professoriate. Business school professors using the scientific approach begin with reliable data about some subject which they use to test a hypothesis using regression analyses. Where data don't exist, professors set up simulations--hypothetical portfolios of R&D projects, for instance--to see how people behave in what amounts to a laboratory experiment. In some instances, those methods are useful, necessary, and enlightening. But they often fail to reflect the way business actually works. When applied to what is essentially a human activity in which judgments are made with messy, incomplete, and

incoherent data, statistical and methodological wizardry can blind without illuminating. Consider some of the most difficult questions facing managers: What impact does a culture of celebrity have on leadership? How should a CEO be compensated? How should global operations be designed to be effective 4 Do not quote. Revised version to be published as copyrighted Harvard Business Review article, May 2005. and equitable? What purposes does a corporation have beyond the creation of shareholder value? Such broad and multifaceted questions do not lend themselves to scientific experiments or validation. Another consequence of the scientific model is that professors are evaluated based on the number of articles they publish in A-list business research journals. Submissions to these publications are refereed by anonymous panels of scholars who assess research findings based on objective, scientific standards. Those safeguards, de rigueur for discipline-based journals, help ensure that research published passes strict scientific muster. Indeed, the system works fairly well in the “harder” business disciplines, such as economics and finance, that lend themselves to mathematical modelling. Even in finance, however, it creates pressure to publish articles on narrow subjects chiefly of interest to other scholars, not practitioners. To be fair, some of what is published in A-journals is excellent, imaginative, and valuable. But much is not. A renowned CEO doubtless speaks for many when he labels academic publishing “a vast wasteland” from the point of view of business practitioners. In fact, relevance is often systematically expunged from these journals. We recently followed the process by which the results of a promising study of behavior among several thousand leaders in global corporations were reviewed by a leading management journal. The initial study showed that certain indicators of leadership misbehavior in companies could be monitored to identify ethical problems before a crisis occurs. Unfortunately, that finding could not be proved in a strictly scientific sense. As a result, the article that was finally published focused not on developing practical methods to reduce organizational risk but, instead, on questioning a minor detail in a previous study on a different in the research, it was found that most of the institutions focus to prefer books by different authors for the study in which information is available either on the basis of assumption or historical information. On the basis of bookish knowledge MBA graduates could not be turned into good managers. To be a successful manager we should focus less on bookish knowledge and more on the realistic environment of the corporate world means how markets react. How sellers are using various kinds of tactics to sell their products but that should not be unethical. How they are competing with their customer without the breakout the law. Management faculty should not teach on behalf of theoretical knowledge or assumption-based knowledge, show them in the market why customers visit some selected shops so many things they can learn by surveying the customer and with study the practical environment. That kind of thing will help them to turn into managers or entrepreneurs. Similarly, in finance students focus to learn the basic concept and theoretical concept of financial management but they would not focus on how the financial market reacts, move, or how works.

Recently news was published in the Times of India on 17.05.2023 that the global rating of Indian B schools has been down because of poor research and development. A study shows that 100% academic excellence can be achieved not only by classroom teaching but also focus on the overall development of budding managers. It has been classified that academic excellence of b schools is 25% of the quality of Academic 25% Employability 10% of faculty excellent 40% of R & D.

That way it becomes necessary to focus on all the parameters of academic development. The figure may be more or less but we need to focus on all four corners of academic development in the B schools.

Challenges of B school

In this competitive world role of finance manager become more complex with the growth of the financial sector, so many various kinds of opportunities are available that whys it becomes difficult for MBA students to take decisions on the bases of theoretical and bookish knowledge they cannot play a vital role as finance managers in the organization or they would not able to take the right decision because it's based on the experience which takes a

long time and cause of fast changes in the financial sector they again are lag behind from others. That is the reason we are unable to gain recognition at the international level or our rating to get down year by year.

In the course curriculum, we only focus on the basic term of each area but this much knowledge is not enough for MBA graduates to succeed in their fields. After completing a degree MBA in Finance students are not able to choose the best option or either they get confused about where to go or not.

It is not only the main reason for the failure of budding managers after doing the MBA in finance. As we are offering the degree MBA in dual specialization sometimes this dual degree is creating confusion among MBA graduates to grow in particular sectors we are losing to produce good finance managers for the corporate. Therefore, MBA education should be restructured as we know that in the area of finance, so many options are available we need to create courses according to that options we should create and educate the students of MBA finance so that they will get benefits.

As we know which kind of job options are available for MBA finance graduates in this paper I have mentioned the job options such as Account Managers, Finance managers, Finance controllers, Investment bankers, corporate controllers, credit managers, and many more.

Under the MBA finance we, could not produce good finance managers until they focus on the specialized areas in the field of finance.

When management institutions design courses as per the specialized branch under finance.

Then they will again, we could produce good finance managers in various field of finance, and then this MBA degree again will be able to gain a respectable position in the field of corporate sectors.

As in the current scenario, business leaders are not able to find the solution to various problems in the area of finance such as financial analysis, accurate judgment, and forecasting the movement of the financial market. How they can cut cost and they could take final decisions because the stock market works independently those who want to work in the area needs training and proper guidance only doing MBA in finance will not work. Similarly, banking, insurance sectors, and other corporate sectors required specialized knowledge and training, so budding managers are able to achieve success in the field. In today's scenario we are only providing basic information about finance which is the main reason MBA students after completing their degree could not become good professionals because of a lack of practicability of knowledge about finance.

Finding

During the research, I found that opportunities in the area of financial sectors increased drastically. I am feeling very sad to say except for the biggest management school other management school is not performing well. After completing an MBA degree student are facing so many challenges.

Dennis Smith noted "Scientist.... Often think that what they don't be aware of isn't important. Simultaneously it can be carried out by using the social scientist who assumes that variables not added in their equations might also be insignificant. In corporate research, the things that are automatically assumed away by academics on the grounds that could not be measured on the basis of human factors and all matters relating to judgment. Morality, ethics, and values mostly make the variation between good and bad business decisions. In the 1970s, GM's managers lost ground to the Japanese because they were so focused on applying tried and true industrial 6 Do not quote.

Undoubtedly, those who wear the concrete shoes of their previous successes know how to exploit our established strengths. But due to the fast-moving technological environment, managers cannot afford to handle every new problem. We fear that this will be a difficult problem to correct because many business professors lack enough confidence in the legitimacy of their enterprise to define their own agenda.

We fear that this will be a difficult problem to correct because many business professors lack enough confidence in the legitimacy of their enterprise to define their own agenda. For example, business economics journals today are practically indistinguishable from traditional economics journals. And, not to be “out-science,” management researchers now focus on technical issues that have the look and feel of topics studied by their peers in the harder social sciences. Business scholars could take a lesson from their colleagues in the discipline of psychology, which was stifling under the scientific model three or four decades ago engineering concepts to reducing costs that they failed to understand W. Edwards Deming’s insight that quality is a source of savings, not an added expense. That is not surprising. Most of us wear the concrete shoes of our earlier successes and know how to exploit our established strengths. But in a fast-changing global economy, managers cannot afford to react to every new problem with a conditioned reflex. Sometime during the research, I found that lack of coordination between faculty and institution because of their own policy. I would like to reference business economics journals that are practically indistinguishable from traditional economics journals today. And not be out -scienced” researchers now focus on technical issues that have the look and feel of topics studied by their peers in the harder social sciences.

Conclusion

All the above studies concluded that the MBA finance degree should be restructured again as per the demand of the environment so that it could be easy for the management institution to produce budding managers as the requirement of the industry. All the budding managers will be able to perform their tasks smartly and confidently because of their 100% development.

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