

## The Growing Role of Management Studies among Corporate Executives

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**Abstract:** *Higher education is perceived as extremely important, and for most people a college education has become the necessary admission ticket to good jobs and a middle-class lifestyle. Another reason why higher education is important is that anybody who gains an education beyond college has the opportunity for upward social mobility. A management degree is a great way to get a foot in the door at many respectable businesses and jobs. With a degree the earning potential at these places can be virtually endless causing an upward shift in class. In our country it doesn't matter who you are, the poorest of paroles can easily become one of the richest in the upper class with a good education and the right amount of work ethic. Having a higher education is important to both the individual and the state. Having a management education ensures that a person will be able to get and maintain a job that is both financially and socially rewarding.*

**Key words:** *Higher Education, Corporate Executives, Awareness level*

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### Introduction

It is said that education is the backbone of the society. Management education has gained importance in the education industry and it is considered essential for executives, managers and top management. With ever changing qualification demand from industries, management education has evolved as a bright career option. Education directly and indirectly contributes more significantly to the economy of the country.

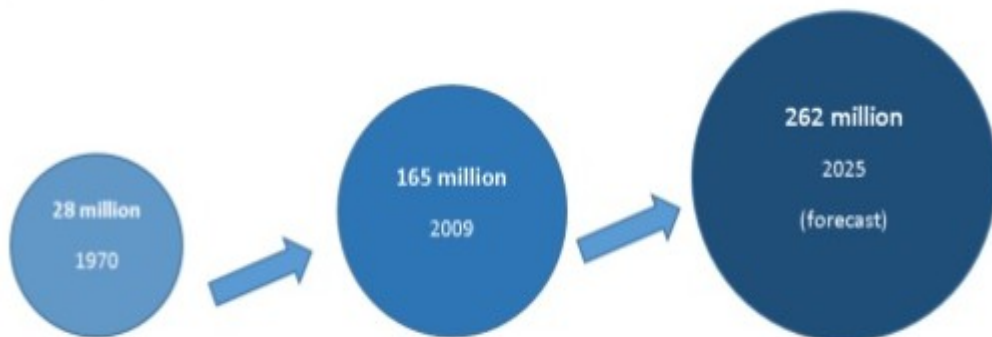
Over the last two decades, India has remarkably transformed its higher education landscape. It has created widespread access to low-cost high-quality university education for students of all levels. With well-planned

expansion and a student-centric learning-driven model of education, India has not only bettered its enrolment numbers but has dramatically enhanced its learning outcomes.

Further, with the effective use of technology, India has been able to resolve the longstanding tension between excellence and equity. India has also undertaken large-scale reforms to better faculty-student ratios by making teaching an attractive career path, expanding capacity for doctoral students at research universities and delinking educational qualifications from teaching eligibility.

## Global Demand for Higher Education

Total Number of Students Participating in Higher Education Worldwide

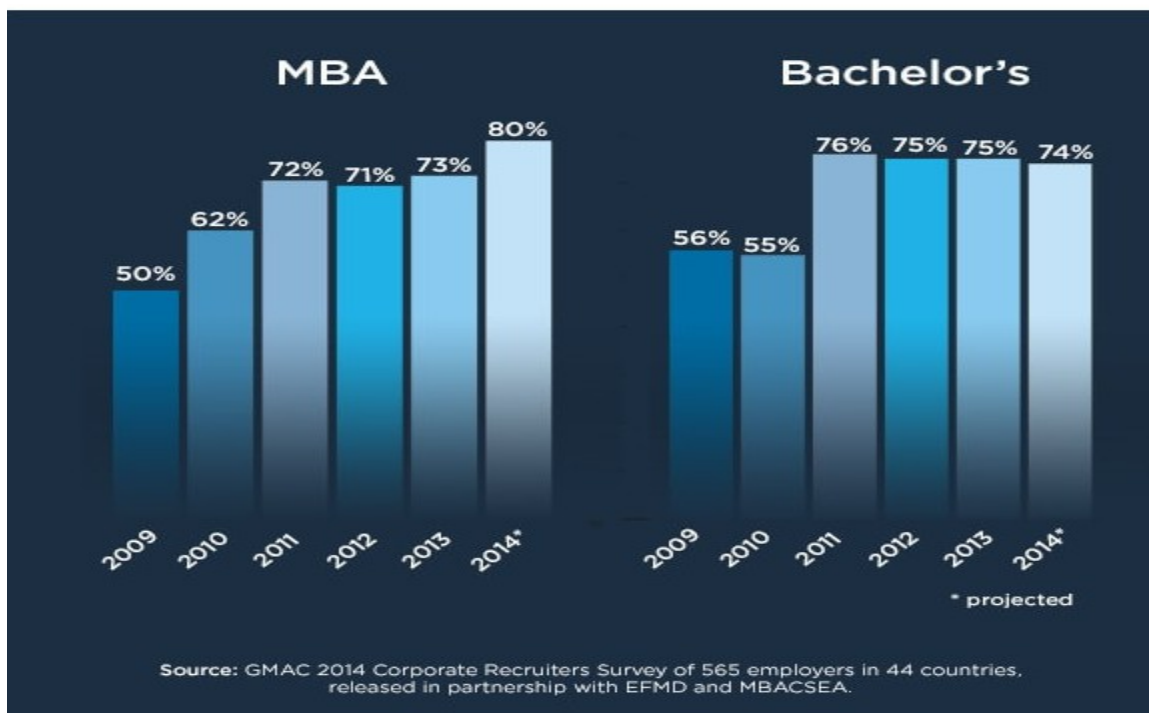


<http://www.oecd.org/edu/Education-at-a-Glance-2014.pdf>

Above figure elucidate the growing importance of higher education and the

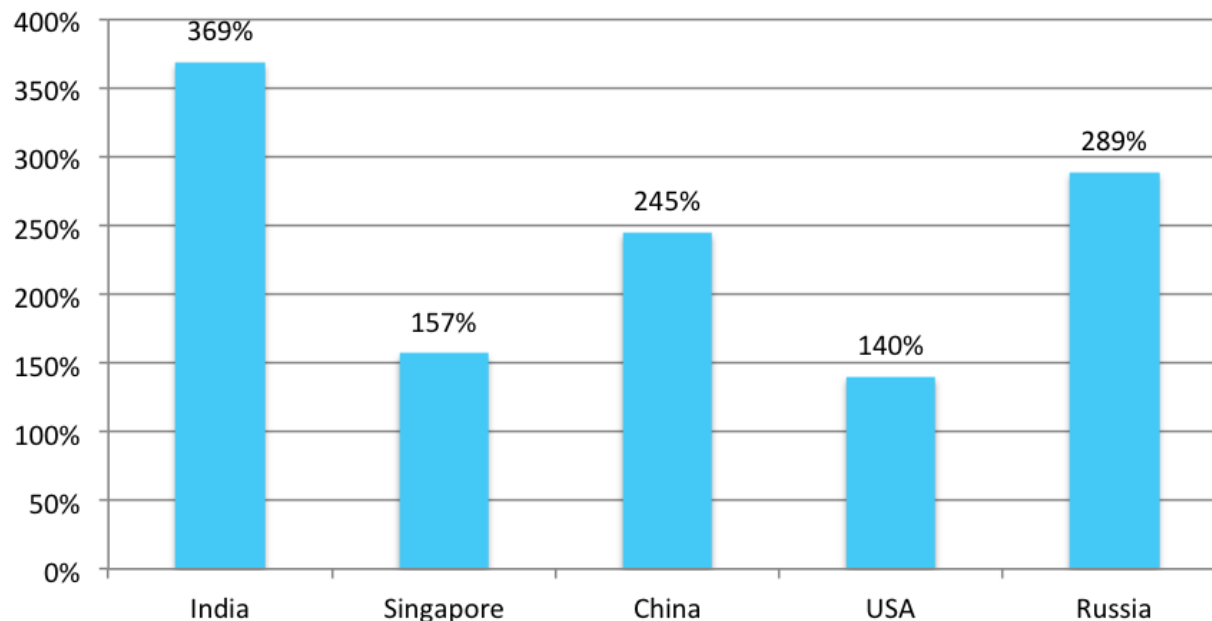
expected forecasted figures are 262 million in 2025.

### Percentage of companies hiring new graduates by degree type



The survey was conducted by GMAC, the European Foundation for Management Development and the MBA Career Services and Employer Alliance and 113 business schools worldwide. The GMAC 2015 Corporate Recruiters Survey drew responses from 748 employers in 47 countries around

the globe, including 46 companies in the Fortune 100. The analysis provides a view into the current employment landscape, gauges the demand for MBA and master-level business graduates, and offers insight into hiring practices and trends across industries and world regions.



Source: <http://blog.prodigyfinance.com/2013/10/17/mbas-what-do-you-expect/>

The expectation gaps from emerging market countries were even greater. For instance, Indian MBA students believed that their salaries would jump from \$24,000 to \$112,000 per year – an increase of 369%:

These high expectations are most likely fueled by the mystique that surrounds an MBA, and the idea is reinforced by the generally positive changes that occur when a person receives the degree.

#### Literature Review:

Customers' vouch for Branded Institution because they benefit from improved curriculum, pedagogy, technology and faculty quality (Lee and Tai, 2008). Berman and Evans (2001) point out that it is

important for organizations to get an idea of the purchasing patterns of consumers in terms of when and how they purchase. This will enable higher education institutions to ensure that they have the necessary facilities, processes, resources and services in place to ensure a convenient purchasing process for their students. According to Schiffman and Kanuk (2004), consumers try to lessen dissonance by rationalizing their decisions as being wise, returning the purchase (cancelling a course) or turning to satisfied owners (alumni) to be reassured, seeking information to support their choice (organization's brochures, open days or advertisements) and avoiding information of

competitive brands (ignoring brochures, open days or advertisements of other higher education institutions). Quality of an institution of higher education is determined by its outputs – efficient use of resources, producing uniquely educated, highly satisfied and employable graduates, for example.

This view is popularly termed the value added (Astin, 1991) approach to determining quality in higher education. This approach stresses agreeing upon, teaching, and measuring a set of student competencies that should be gained through a baccalaureate education (Bennett, 2001). Increased competition and consumer choice are the biggest catalysts to adopting the customer orientation in higher education. Academic leaders especially should consider the context of quality and assessment as more than an account of things, past or present, but as a guide to planning, leading, and ultimately assessing future calls for reform (Jagdish, 2001). Working towards National and International Accreditation is an important and effective tool in ensuring quality (Chandra 2003). Quality distinctly is something where schools have to focus and the International bodies like AACSB, AMBA, EQUIS, IACBE focus on different parameters of quality, excellence, innovation and continuous improvement (Sahay and Thakur, 2007).

Despite the brisk demand for MBA education during the past three decades, there are mixed reviews regarding the MBA programme and concern over the quality of MBA education has been debated recurrently (Aiken, 1994; Eberhardt, 1997; Louw et al., 2001). The MBA degree is seen as a passport into managerial roles (Luker et al., 1989; Carnall, 1992; Baruch & Peiperl, 2000). MBA graduates are often promised higher economic incentives (Kyle &

Festervand, 2005) and the Global MBA Survey, conducted by GMAC (2003), reported that students in 2003 were anticipating a 56% increase in salary upon completion of their degrees. In line with the survey's results, Quacquarelli (2005) also indicated that the MBA is a major investment in one's personal development as it affects the stream of income for an MBA graduate. The calculation of its return on investment (ROI) has revealed that for two years, for an MBA taken in the USA, the payback period is usually just over three and half years. This means that graduates will be better off three years after the completion of an MBA programme, even taking into account the salary foregone during the study period.

#### **Objectives:**

- To know the level of awareness of higher management studies among corporate executives.
- To study the importance of higher management studies for corporate executives.
- To explain the necessity of higher management studies for growth.

#### **Research Methodology:**

A questionnaire has been designed by considering some features associated with MBA teaching. For rating the different features 1 to 5 likert scale has been used where higher number represents higher score for a specific features. Total 50 executives of different sectors have been surveyed to know the awareness level, benefits of MBA. A random sampling method has been applied for this purpose. Initially the mean score has been calculated for each feature to understand the preference towards the specific factor.. For analysis purpose SPSS Version.

#### **Results:**

#### **Hypothesis Testing 1**

Ho: Corporate executives are aware of higher management studies.

H1: Corporate executives are not aware of higher management studies.

**Chi-Square Test  
Frequencies**

**Awareness of higher management studies**

	Observed N	Expected N	Residual
Strongly Agree	17	12.0	5.0
Agree	22	12.0	10.0
Neutral	6	12.0	-6.0
Disagree	6	12.0	-6.0
Strongly Disagree	9	12.0	-3.0
Total	60		

**Test Statistics**

	Awareness of Higher Education
Chi-Square	19.32 <sup>a</sup>
Df	4
Asymp. Sig.	.046

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 12.0.

**Interpretation:**

Calculated Chi-Square value is greater than the table value and  $p < \text{significance level}$  alpha (0.05) so, we reject the Null

**Hypothesis Testing 2**

Ho: Higher management studies will not be beneficial for corporate executives in future.

H1: Higher management studies will be beneficial for corporate executives in future.

Hypothesis (Ho). Therefore we conclude that corporate executives are aware of higher management education.

**Chi-Square Test  
Frequencies**

**Higher Education is beneficial or not**

	Observed N	Expected N	Residual
Strongly Agree	23	12.0	11.0
Agree	11	12.0	-1.0
Neutral	10	12.0	-2.0
Disagree	9	12.0	-3.0
Strongly Disagree	7	12.0	-5.0
Total	60		

**Test Statistics**

	Higher Education is beneficial or not
Chi-Square	13.333a
Df	4
Asymp. Sig.	.010

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 12.0.

**Interpretation:**

Calculated Chi-Square value is greater than the table value and  $p < \text{significance level}$  alpha (0.05) so, we reject the Null

**Conclusion:**

MBA education has gained momentum in present days. Corporate are more interested in recruiting trained business leaders. Job prospect in public sector is primarily characterized by public service examination. Job opportunity in the private sector is comparatively higher than public sector and recruitment is more inclined towards management graduates. It leads to an

Hypothesis (Ho). Therefore we conclude that higher management education is beneficial for corporate executives in future.

increase of interest in the enrolment in management program. The present study aims to conclude that a strong preference has been experienced towards the enrolment in management program after graduation irrespective of the discipline. A profound interest has also been found among undergraduate students for distance learning and regular but non-residential MBA program.

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