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Effectiveness of Management Education in Developing Employability Skills and Career Readiness: An Empirical Study of Tier-II MBA Institutions in Maharashtra

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Abstract

Management education has increasingly shifted from knowledge dissemination to competency development, with employability and career readiness becoming key indicators of educational quality. Although India has a large number of MBA institutions, empirical evidence on the effectiveness of Tier-II management institutions remains limited. The present study examines the effectiveness of management education in enhancing employability skills and career readiness among MBA students in Tier-II management institutions in Maharashtra. Specifically, the study investigates the influence of curriculum relevance, faculty competence, teaching pedagogy, industry interaction, and internship experience on employability skills and further examines the impact of employability skills on career readiness.

Keywords: Management Education, Employability Skills, Career Readiness, MBA Students, Tier-II Institutions, Higher Education.

Introduction

Management education has undergone considerable transformation during the past three decades as organizations increasingly demand graduates who possess not only academic knowledge but also practical competencies, critical thinking, communication skills, leadership qualities, teamwork, adaptability, and digital proficiency. Rapid technological advancement, globalization, automation, and changing business environments have substantially altered employer expectations from management graduates. Consequently, the effectiveness of management education is now assessed through graduates' employability and career readiness rather than examination performance alone. India has one of the world's largest higher education systems and produces thousands of MBA graduates every year. While premier business schools receive considerable academic attention, a majority of management graduates pursue their education in Tier-II institutions affiliated with state and private universities. These institutions play an important role in regional economic development by supplying managerial talent to manufacturing, banking, financial services, retail, healthcare, logistics, and entrepreneurial sectors. However, they often face challenges relating to curriculum implementation, limited industry collaboration, inadequate infrastructure, faculty development, and placement opportunities, which may affect graduate employability. Developing employable graduates requires an integrated educational ecosystem consisting of relevant curricula, competent faculty, innovative teaching methods, meaningful industry interaction, internship opportunities, and institutional support. Therefore, evaluating management education requires examining how these institutional practices contribute to students' employability skills and career readiness. Maharashtra, being one of India's leading educational and industrial states, provides an appropriate context for such an investigation because it hosts a large number of AICTE-approved management institutions serving students from urban, semi-urban, and rural backgrounds.

Statement of the Problem

Despite continuous reforms in higher education, many Tier-II MBA institutions continue to face challenges in providing industry-oriented education. Employers frequently report gaps between graduates' academic knowledge and workplace expectations, particularly regarding communication skills, problem-solving ability, teamwork, leadership, and practical exposure.

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Research Gap

Existing studies primarily focus on elite business schools, whereas Tier-II management institutions, which educate a substantial proportion of India's MBA students, have received comparatively limited scholarly attention. Moreover, previous studies have generally examined individual institutional factors independently rather than evaluating their collective contribution to employability skills and career readiness. The present study attempts to bridge this gap by examining management education practices as integrated determinants of employability and career readiness among MBA students in Maharashtra.

Objectives of the Study

1. To examine the influence of management education practices on employability skills among MBA students in Tier-II management institutions in Maharashtra.
2. To assess the influence of employability skills on career readiness among MBA students.

Research Hypotheses

H1: Management education practices have a significant positive influence on employability skills.

H2: Employability skills have a significant positive influence on career readiness.

Literature Review

Human Capital Theory argues that education enhances individuals' knowledge, competencies, and productivity, thereby improving their contribution to organizational performance and economic development (Becker, 1964). Faculty competence significantly influences educational quality. Effective faculty members facilitate active learning, mentor students, integrate industry practices into teaching, and create environments that promote critical thinking and professional development. Hattie (2009) demonstrated that teacher quality is among the strongest predictors of student achievement, while

AICTE (2024) emphasizes continuous faculty development and industry immersion to improve management education quality. Experiential Learning Theory (Kolb, 1984) suggests that meaningful learning occurs through experience, reflection, conceptualization, and experimentation. Consequently, internships, live projects, industrial visits, business simulations, and consulting assignments have become important pedagogical practices in MBA education. Empirical studies indicate that students participating in internships and industry engagement demonstrate greater confidence, professional competence, and employability (Gault et al., 2010; Silva et al., 2018). Employability extends beyond academic achievement and includes communication, teamwork, leadership, adaptability, digital literacy, analytical ability, and professional ethics (Yorke, 2006; Succi & Canovi, 2020). Career readiness represents graduates' preparedness to successfully transition into professional employment and is strengthened through internships, placement training, mentoring, and institutional support (Caballero et al., 2011; Jackson & Tomlinson, 2020). Overall, the literature suggests that management education practices collectively influence employability skills, which subsequently enhance graduates' career readiness. However, empirical evidence from Tier-II management institutions in Maharashtra remains limited, justifying the present investigation.

Research Methodology

Research Design- quantitative, descriptive research design

Population of the Study- MBA students studying in AICTE-approved Tier-II management institutions in Maharashtra.

Sampling Technique- A stratified random sampling technique

Sample Size- 375 MBA students

Table 1. Reliability Statistics

No	Variable	Cronbach's Alpha
01	Management Education Practices	0.903
02	Employability Skills	0.891
03	Career Readiness	0.876

All reliability coefficients exceeded the recommended threshold of **0.70**

Pearson correlation analysis was conducted to examine the relationships among the study variables.

Correlation Analysis

Table 2 Correlation Matrix

No	Variable	1	2	3
01	Management Education Practices	1.000		
02	Employability Skills	0.721	1.000	
03	Career Readiness	0.658	0.773	1.000

P < 0.001

The findings reveal significant positive correlations among all variables. Management education practices exhibited a strong positive association with

employability skills ($r = 0.721$), while employability skills demonstrated an even stronger relationship with career readiness ($r = 0.773$).

Table 3 Summary of Regression Analysis and Hypothesis Testing

Hypothesis	Dependent Variable	Independent Variable	Standardized Beta (β)	t-value	R ²	F-value	p-value	Decision
H1	Employability Skills	Management Education Practices	0.721	20.64	0.520	425.81	<0.001	Accepted
H2	Career Readiness	Employability Skills	0.773	23.58	0.598	555.64	<0.001	Accepted

Interpretation

The findings indicate that management education practices significantly and positively influence employability skills ($\beta = 0.721$, $t = 20.64$, $p < 0.001$), explaining **52.0%** of the variance in employability skills ($R^2 = 0.520$). Thus, Hypothesis H1 is accepted. Further, the analysis reveals that employability skills significantly and positively influence career readiness ($\beta = 0.773$, $t = 23.58$, $p < 0.001$). The regression model explains 59.8% of the variance in career readiness ($R^2 = 0.598$), indicating strong explanatory power. Therefore, Hypothesis H2 is also accepted.

Major Findings

The statistical analysis provides several important findings.

1. Students generally perceived management education practices in Tier-II MBA institutions as effective, reflected by high mean scores across all study variables.
2. The questionnaire demonstrated excellent internal consistency, with Cronbach's Alpha values exceeding the recommended threshold of 0.70.
3. Management education practices exhibited a strong and statistically significant positive relationship with employability skills.
4. Employability skills showed a strong positive association with career readiness, indicating that competency development enhances students' preparedness for professional careers.
5. Regression analysis confirmed that management education practices explained **52%** of the variance in employability skills, highlighting the importance of curriculum relevance, faculty competence, teaching pedagogy, industry interaction, and internship experience.
6. Employability skills explained nearly **60%** of the variance in career readiness, demonstrating that graduates possessing stronger professional competencies are better prepared to enter the workforce.

Discussion

The present study examined the effectiveness of management education in developing employability skills and career readiness among MBA students studying in Tier-II management institutions in Maharashtra. The findings indicate that management education practices—including curriculum relevance, faculty competence, teaching pedagogy, industry interaction, and internship experience—significantly enhance students' employability skills. Furthermore, employability skills were found to have a strong positive influence on

career readiness, thereby supporting both hypotheses of the study. These findings are consistent with the theoretical foundations and previous empirical studies discussed in the literature. Industry interaction and internship experience also emerged as important components of effective management education. Students who participated in internships, industrial visits, live projects, and guest lectures reported higher employability skills. The second objective examined the influence of employability skills on career readiness. The findings revealed that employability skills explained approximately 60% of the variation in career readiness, indicating a strong positive relationship between the two constructs. Students possessing higher levels of communication skills, teamwork, leadership, analytical thinking, adaptability, and professional ethics demonstrated greater confidence in entering the labour market. Overall, the findings suggest that management education should be viewed as a holistic process involving curriculum quality, faculty competence, experiential pedagogy, and industry engagement. Institutions that successfully integrate these dimensions are more likely to produce graduates who possess the competencies required in contemporary organizations. The study therefore reinforces the need for competency-based management education that aligns academic practices with evolving industry expectations.

Limitations of the Study

The study has certain limitations. First, it adopted a cross-sectional research design and therefore examined students' perceptions at a single point in time. Second, the study relied on self-reported responses, which may be influenced by respondents' personal perceptions and social desirability bias. Third, the investigation was confined to Tier-II management institutions in Maharashtra. Consequently, the findings may not be directly generalized to Tier-I institutions or management schools located in other states. Finally, the study considered only students' perspectives. Future investigations may include employers, recruiters, alumni, faculty members, and institutional administrators to obtain a more comprehensive assessment of management education effectiveness.

Conclusion

Management education plays an increasingly important role in preparing graduates for dynamic and competitive business environments. The present study examined the effectiveness of management education in developing employability skills and career readiness among MBA students in Tier-II

management institutions in Maharashtra. The empirical findings demonstrate that management education practices significantly enhance employability skills, while employability skills strongly influence career readiness. These findings suggest that institutions emphasizing relevant curricula, competent faculty, innovative pedagogy, industry interaction, and internship opportunities are more successful in developing graduates capable of meeting contemporary industry expectations. The study contributes to management education literature by providing empirical evidence from Tier-II management institutions, a segment that has received comparatively limited scholarly attention. The proposed framework offers useful insights for educational institutions, universities, AICTE, and policymakers seeking to improve graduate employability through competency-based management education. By strengthening institutional quality and promoting experiential learning, management institutions can better prepare MBA graduates for successful professional careers and contribute more effectively to India's growing knowledge economy.

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Conflict of Interests

The authors declare that there are no conflicts of interest regarding the publication of this paper.

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