

# Determining the Financial Management Curriculum (Mis) Match Between the Academe and the Industry: Basis for Curriculum Enhancement

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## ABSTRACT

Financial management is crucial to every organization as well as individuals. The academe, specifically, the higher education, should produce graduates who have skills and knowledge required by the industries. Therefore, this research aimed to determine whether a match or mismatch between the Financial Management curriculum and the industry exist by finding answers for the status of the graduates, the perception of skills and knowledge of both graduates and the employers, and their recommendations for curriculum improvement. Using a convergent parallel mixed research design and analysis, 22 graduates and five (5) employers participated in the survey via Google Forms. Two sets of customized questionnaires containing Likert-scale questions and open-ended question for recommendations were distributed to employees and employers. Findings reveal that employees perceive strongly agreed that they have human relations skills, work ethics, and information technology skills. Surprisingly, employers also assessed their employees with human relations skills, information technology, and research skills. There is a match between the graduates' self-perception and the employers' assessment. The respondents' recommendations both agreed that integrating technology, practical experiences and soft skills enhancement into the curriculum, and fostering collaborations with finance industries could improve Financial Management curriculum. These findings emphasize the importance of continuous skill assessment and development to align graduates' perceptions more closely with industry expectations and employer needs. Therefore, continuously adapting to changes and aligning the curriculum with the needs of the industry is recommended.

**Keywords:** *Financial management curriculum, curriculum enhancement, academe and industry*

## INTRODUCTION

Financial management plays a crucial role in every business organization. It ensures the efficient allocation of resources and profit maximization. Financial management involves the acquisition, use, and management of company resources to achieve organizational objectives (Sukenti, 2023). With the effective management of its pillars such as planning, budgeting, forecasting, and monitoring, the success of an organization would be assured (Sitinjak, 2023).

However, this would only be possible if the academic institutions produce graduates with the proper knowledge and skills required by the industry.

Academic institutions prepare future professionals and equip them with skills that would benefit the industry where they will be employed. A systematic literature review conducted by Abelha et al. (2020) found that there is a need for higher education institutions to collaborate with the industry to produce graduates with the exact qualities needed. Education should be more focused in the graduates' employability and preparation for the demands of life rather than just landing on a job (Bennett, 2019). An updated and well-aligned curriculum with industry needs is highly required. According to a study conducted by Kandiko et al. (2021), a curriculum is effective if it is aligned with the market needs. Therefore, every curriculum should ensure that it benefits both graduates and industries.

Financial management education is constantly changing in this dynamic business world. With the emergence of technology in finance, it is crucial to include FinTech education in the student's curriculum. FinTech existed because the industries lost confidence in central banks and the financial system (Goldstein et al., 2019). Hence, continuous updates and enhancement of the curriculum are important (Root et al., 2007). Every finance curriculum should produce graduates with skills appropriate to the needs of the industry. However, some institutions fail to recognize and collaborate with the industries to fully understand their current need for manpower and the skills they require.

Determining the (mis)match between the academe and the industry has long been done by several researchers. Jackson & Li (2021) found that though more graduates are employed after graduation, over one-third remain overqualified. Furthermore, according to Kellevezir & Cakir (2020), employers expect graduates to know about supply chain, Excel, management information systems, enterprise resource planning, warehouse management, logistics, and port operations though they believe that they still have to be taught during the job. Moreover, graduates only realize their deficiencies once they start working.

Job mismatch significantly reduces chances of employment (Shi & Wang, 2021). In a study conducted by Misni et al. (2020) in Malaysia, it was revealed that curriculum design influences graduates' employability competency positively and significantly. Hence, this study was conducted to determine the curriculum (mis)match between the academe and the industry in the field of financial management. Specifically, this study sought answers to the following research questions: (1) What is the status of the graduates in terms of education, employment, and industry affiliation; (2) How do graduates perceive their possessed crucial skills and knowledge after graduation and at work; (3) How do the labor providers of graduates perceive the graduates' skills and knowledge at work; and (4) What recommendations do the graduates and industry have for curriculum improvement.

## **LITERATURE REVIEW**

The financial management curriculum in academic institutions is designed to equip students with the necessary skills and knowledge to succeed in the industry. However, there is a growing concern that the curriculum may not be adequately preparing students for the demands of the industry, leading to a mismatch between the skills and knowledge acquired in the academe and those required by employers.

The concept of curriculum mismatch is rooted in the theory of human capital, which posits that education and training are essential for economic growth and development (Becker, 1964). The curriculum is designed to provide students with the necessary skills and knowledge to contribute to the economy. However, if the curriculum is not aligned with the needs of the industry, it can lead to a mismatch between the skills and knowledge acquired by students and those required by employers.

Studies have consistently shown that there is a mismatch between the university curriculum and the needs of the industry. Research in Bangladesh found that graduates perceive a mismatch between the university curriculum and the job market and suggested revising the curriculum to meet the needs of the industry (Khan, 2023). Furthermore, a study comparing university graduates' curricular profiles with business demands identifies competencies that universities must improve to better-fit labor market needs (Marzo-Navarro et al., 2009).

To address the curriculum mismatch, researchers have suggested various strategies for curriculum enhancement. Goulart et al. (2021) indicated that higher education institutions should partner with human resource managers to fill the gap. Similarly, a study by Tasdemir and Gazo (2020) proved that strategic alignment of higher education and businesses is possible through a transdisciplinary perspective.

This research aims to determine whether a match or mismatch exists between a curriculum and the industry, specifically financial management, which can be a basis for curriculum enhancement if a mismatch exists.

## **METHODS**

### **Research Design**

This study utilized a convergent parallel research design. Convergent parallel research design is a mixed-method research that allows the researcher to gather both quantitative and qualitative data that are analyzed separately and compared afterward (George, 2023). With this design, the aim of the study which is to determine whether a curriculum match or mismatch between the academe and industry exist would be best achieved.

### **Population and Sampling Technique**

The population of the study is composed of Financial Management graduates of Palawan State University - Brooke's Point in 2021, 2022, and 2023. They are graduates of the current curriculum utilized by the program and are currently employed. The study also included five (5) employers regardless of the industry. The study utilized a purposive sampling method

as the researcher has inclusion and exclusion criteria which could gain an in-depth knowledge about the problem (McCombes, 2023).

### **Instrumentation**

Google Forms was utilized in administering the questionnaire to the graduates and the industry. The study utilized two data sources: primary and secondary. The developed survey questionnaire of the Commission on Higher Education, known as the Graduate Tracer Study, was reorganized and customized based on the purpose of the study. The perspectives of graduates and employers were added at the end of the questionnaire. A separate survey questionnaire for each type of respondent were distributed. The survey questionnaire for the employees was divided into three (3) parts wherein Part I includes the status of the Financial Management graduates in terms of education, employment, and industry affiliation. Part II contains Likert scale questions which reflects their perception of possessed skills and knowledge after graduation and at work and an open-ended question for recommendations. The survey questionnaire for the employers only contains the same questions for employees in Part II and Part III.

### **Analysis of Data**

The gathered data was analyzed using IBM SPSS Statistics version 29. Frequency and percentage were utilized. Furthermore, mean and standard deviation was also used to analyze the Likert scaled questions. Qualitative data were analyzed using thematic analysis. Furthermore, a convergent parallel analysis was used to compare the employees and employers' perception of skills and knowledge, and their recommendations.

### **Ethical Considerations**

Approval of the conduct of the study was obtained from the Ethics Review Board of the University before administering the questionnaire and interview. The respondents were also asked for their consent and voluntary participation in the study before sending the questions through Google Forms. Email addresses were not collected and did not associate their identity with their response. Confidentiality of data was greatly valued.

## **RESULTS AND DISCUSSION**

### **Status of Employees**

The respondents include most employees who finished their education in 2022 (68%), and a significant majority (82%) falls within the 22-24 age bracket. Additionally, there is a higher representation of females (68%) among the employees compared to males (32%). The highest percentage of the employees found employment in contractual positions (36%), followed by casual (32%), regular or permanent (23%), and temporary (9%) roles. Most graduates (86%) secured their first job after graduation, with a notable percentage (41%) finding employment within 1-6 months. A substantial majority (77%) were employed in rank or clerical positions, while smaller portion (23%) held professional, technical, or supervisory roles. In terms of industry affiliation, finance was the dominant department (36%), followed by administrative (18%) and various other departments with smaller percentages. The types of

organizations employing these graduates were evenly distributed between private establishments/companies (45%) and local government units (45%), with a smaller representation from national agencies (9%). The majority were engaged in the services sector (50%), followed by retail (18%) and finance or banking (14%).

### Perception of Employees’ Skills and Knowledge

Table 1 shows the employees’ and employers’ perception of skills and knowledge. These include financial management, financial analysis, research, information technology, human relations, communications and presentation, critical thinking and problem-solving, and work ethics.

**Table 1**  
*Perception of Employees’ Skills and Knowledge*

| Skills and Knowledge                     | Employees |     |                       | Employer |     |                       |
|--|-----------|-----|-----------------------|----------|-----|-----------------------|
|  | Mean      | SD  | Verbal Interpretation | Mean     | SD  | Verbal Interpretation |
| 1. Financial Management                  | 4.28      | .59 | Strongly Agree        | 4.56     | .62 | Strongly Agree        |
| 2. Financial Analysis                    | 4.19      | .63 | Agree                 | 4.48     | .00 | Strongly Agree        |
| 3. Research                              | 4.18      | .62 | Agree                 | 4.76     | .45 | Strongly Agree        |
| 4. Information Technology                | 4.43      | .58 | Strongly Agree        | 4.88     | .00 | Strongly Agree        |
| 5. Human Relations                       | 4.55      | .55 | Strongly Agree        | 4.92     | .45 | Strongly Agree        |
| 6. Communication and Presentation        | 4.30      | .52 | Strongly Agree        | 4.48     | .45 | Strongly Agree        |
| 7. Critical Thinking and Problem-Solving | 4.40      | .57 | Strongly Agree        | 4.68     | .45 | Strongly Agree        |
| 8. Work Ethics                           | 4.50      | .54 | Strongly Agree        | 4.56     | .36 | Strongly Agree        |

*Legend: Strongly Disagree = 1.00-1.80; Disagree = 1.81-2.60; Neutral = 2.61-3.40; Agree = 3.41-4.20; Strongly Agree = 4.21-5.00*

Source: Calculated by Author

The table above depicts the employees' and employers' strong agreement towards human relations, work ethics, information technology, critical thinking and problem-solving, communication and presentation, and financial management skills. However, there is a difference in terms of financial analysis and research skills. Both of the respondents' strong confidence in the aforementioned skills is supported by research. Johnson (2021) emphasized that having human relations skills fosters engagement and productivity in an organization. Additionally, a strong work ethic results in an employee's excellent job performance

(Osinbanjo et al., 2018). In today's dynamic business world, other people tend to compromise their values in exchange of benefits. Despite this fact, the respondents strongly agreed that they still have strong work ethics. Information technology skills, critical thinking and problem-solving, and communication and presentation skills are also crucial skills that add value to the organization. Suer (2020) found in his study that having financial management skills is crucial not only in tourism industries but also in other industries to effectively utilize the organization's resources.

## **Recommendations to Improve the Curriculum**

Through a thematic analysis of the qualitative data gathered during the conduct of the study, similar themes that emerged from the graduates' and employers' recommendations to improve the Financial Management Curriculum include real-world application and exposure, integration of technology, inclusion of soft skills and personal development, and financial literacy. The theme unique to the employers is attending seminars on financial regulations.

**Real-World Application and Exposure.** Exposing learners to real-world financial statements (FS) and practical experiences in Financial Management (FM) suggests that practical exposure to real financial data and systems is essential for a better understanding of FM. This theme also highlights the need for industry exposure, guest lectures, networking opportunities, and collaboration with financial institutions stressing the significance of connecting students with professionals and real-world financial practices. Exposure also includes pitching and business matching in the curriculum to boost confidence. Offering specializations, electives, and global perspectives for diverse career paths also caters to a wide range of interests and global perspectives to prepare students for varied finance-related careers. A multi-faceted project conducted in four colleges and universities in Flint, Michigan (USA) succeeded in engaging students. Students were asked to apply class content to real-world problems around them and allowed to collaborate with their classmates (Melbert et al., 2020).

**Integration of Technology.** This theme highlights the importance of engaging with technology and systems like Microsoft Office, QuickBooks, and other financial software. A focus on work-related subjects such as accounting and ICT programs could also directly relate to the job market and industry needs. The integration of technology and practical skills in higher education curricula is increasingly important for preparing students for their future careers. Studies highlight the need to develop students' technological skills across various areas, as defined by the European Digital Competence Framework for Citizens (Rodrigues et al., 2021). Higher education institutions must provide strategic planning and resources to support this transition and ensure effective implementation of technology-integrated and practical approaches in curricula (Ncanywa et al., 2022).

**Inclusion of Soft Skills and Personal Development.** This theme focuses on aspects such as work ethics, self-confidence, communication skills, character development, and good attitude. Weaving in soft skills training, ethics, and compliance within the curriculum emphasizes the importance of nurturing soft skills and personal attributes alongside technical knowledge. The changing labor market demands graduates with both professional and soft



skills to adapt to workplace challenges (Karimova, 2020). Surveys indicate that students recognize the importance of soft skills for their future careers, supporting the need for their inclusion in undergraduate studies (Tevdovska, 2015).

**Financial Literacy.** Learning about budgeting, investing, and being smart with spending emphasizes the importance of financial literacy and responsible financial behavior among individuals. This includes tracking spending, building savings, and planning for significant expenses which focuses on practical tips for personal financial management. Financial literacy education in higher education institutions is increasingly recognized as crucial for students' long-term economic well-being (Geddes & Steen, 2016).

**Attending Seminars on Financial Regulations.** Attending seminars on Banko Sentral ng Pilipinas (BSP) compliance, Anti-Money Laundering Act (AMLA), and other money-related courses emphasize the importance of staying updated on regulatory compliance in the finance sector. Studies show that attending financial seminars can lead to knowledge gains, especially among younger, lower-income, and less-educated individuals (Chatterjee et al., 2010). Some institutions have begun offering personal finance courses as electives or integrating financial topics into existing courses. Additionally, the rise of FinTech presents new challenges and opportunities for financial education, necessitating the development of specialized curricula to prepare students for evolving financial landscapes (Kaddour et al., 2022).

## CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

In most skill domains, there is a substantial alignment between employees' self-perception and employers' assessments. However, minor discrepancies exist in specific skill subsets, suggesting areas where graduates might overestimate or underestimate their competencies compared to employers' perceptions. These findings emphasize the importance of continuous skill assessment and development to align graduates' perceptions more closely with industry expectations and employer needs.

The convergence of themes between employers' and employees' recommendations for enhancing the Financial Management Curriculum underscores the significance of a balanced curriculum integrating technological advancements, practical skills, soft skills, industry engagement, and financial literacy. Aligning curriculum content with real-world applications, industry needs, and global perspectives is pivotal in preparing finance professionals for the contemporary job market. Such findings are consistent with existing literature stressing the importance of a holistic approach to curriculum development that addresses the multifaceted needs of finance professionals.

Graduates should continue learning by pursuing graduate education programs and attending seminars related to their specialization. The educational institution should also continue enhancing its curriculum to match the industry's emerging needs. Integrating technology, practical and soft skills, industry engagement, and collaborations into the curriculum is also recommended. Future research such as overqualification or underemployment of graduates should also be conducted.

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