BRIDGING THE GAP BETWEEN MASTER OF BUSINESS ADMINISTRATION PROJECTS THEMATIC TRENDS AND INDUSTRY NEEDS: THE DOUBLE HELIX OF UNIVERSITY–INDUSTRY Relation

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ABSTRACT Management research has been accused of a lack of relevance to managerial practice and of too narrow a discipline base. Its focus is the nature of knowledge created by research at the interface between business and academia in the context of major changes likely to affect the nature of demand for such knowledge. To this extend most business schools have developed research as a foundation of the MBA programs that they offer. A significant aspect of an MBA which distinguishes it from its competitors is the content of its program – the nature of its curriculum and how it meets the needs of business life. The main objective of this paper was to present the results of an empirical study which establishes the thematic trends and industry relevance of MBA projects in the school of business at the University of Nairobi. The study used secondary data which was collected from the report books at the University of Nairobi. Data was analyzed using content analysis and time series. Cohorts of 10 years were employed, with a total of 7,100 projects undertaken between 1974 and 2013 taken as the study population. The report examines the conditions giving rise to this criticism in Kenya and identifies an important strategic need to increase the stake holding of users in various aspects of the research, knowledge creation and dissemination process. Results indicated that there was a positive trend in thematic research with social, economic and political aspects that impact on business management. However, while the rise in the thematic areas corresponded with the needs of the industry, the Kenyan business landscape seems to make less use of the findings and conclusions advanced by MBA reports. This observation was arrived at after noting that business malpractice, poor business performance, business fraud, declining accountability of board members, declining employee engagement rose during the same time that increased academic attention was given to the issues that keep CEO’s and business managers awake at night. The situation sheds doubt as to the practical application of the recommendations given by MBA reports. The findings also cast doubt as to industry awareness of the kind of research that is being conducted by MBA students. Implications from a theoretical standpoint are that the study advances new knowledge on industry-university academic linkages and questions the applicability of content and pedagogical orientation that is supposed to inform competence in MBA students. Consequently, this paper provides a fertile ground of arguing for and against competence theories and how competencies which are of value to industry are acquired. From a practical standpoint, principals and deans in academia need to question the relevance of the MBA projects from a practical standpoint. This may call for a more rigorous process which is multidisciplinary in nature to assess the link between MBA projects and industry needs. From a policy point of view, the Commission of Higher Education and the Federation of Kenyan Employers need to emphasize the need for organizations to fund the MBA academic projects so that they are oriented to real life industry needs.

Keywords: Management Research, MBA, Thematic trends, Industry relevance

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1. Introduction

The Master of Business Administration (MBA) degree originated in the United States in the early 20th century when the country industrialized and companies sought scientific approaches to management. The program has since spread across the entire globe with several variations being adopted away from the original American model (Ly, Vickers & Fernandez, 2015). MBA is a master's degree in management with focus on business administration (Wiig, 2000). The aims of MBA programs are to prepare their graduates for managerial roles, help them gain a better understanding of the industrial and business world and its needs, enrich their skills and provide them with competences relevant to their careers. Consequently, a critique of the relevance of the thematic areas of an MBA in the wake of turbulent global and macro environments such that the themes in an MBA should be tailored to address the challenges that CEOs are facing in today’s turbulent macroeconomic environment is necessary. Mitchel, Ray and Van Ark (2014), Kanter (2014), and Hertz (2014) note that that human capital dynamics remains the top challenge of business owners and their managers, with customer relationships rising in importance in the past two years. The reason for this is that both the employee and the customer have been empowered by digital transformation of the market place, be it the labour or goods markets place.

However, report by Mitchell, Ray, & van Ark, (2014), Helmrich (2015), Pawlenty (2014), Barton(2014), Kanter (2014), Hertz(2014) Freeman(2014), Mainardi (2014), Mekjian (2014), Nolop (2014) paint a gloomy picture as to the preparedness of the CEOs and Business Owners in addressing the pressing issues brought about by the turbulent environment. CEOs self-rating of their readiness to address the challenges are sobering. For instance, never were more than 50 percent “very prepared” to address any of the challenges. In fact, in the human capital challenge, only 27 percent of leaders reported they were “very prepared” to be the kind of leader that creates an optimal workplace where employees deliver their very best. HR leaders’ appraisal was even more harsh: Only 9 percent indicated their leaders were “very ready” to address the human capital challenge (Mitchell, Ray, & van Ark, 2014; Mekjian, 2014; Nolop, 2014). Therefore, the increase in importance of various emerging business issues and the reality that CEOs and business owners are poorly equipped to handle the challenges calls for an evaluation of MBA programs that are supposed to fill the gap.

University of Nairobi MBA Programs

The School of Business, University of Nairobi has over 120 academic staff members spread across three teaching departments namely:-Finance and Accounting, Business Administration and Management Science. The School of Business was established in its present form in 1964, and it produced its first batch of graduates in the Bachelor of Commerce degree in 1967 (University of Nairobi, 2015). The course specializations in University of Nairobi school of business includes; Accounting, Finance, Insurance, Marketing, Human Resource Management, Management Information Systems,

2. Literature Review and Hypothesis

2.1 Literature Review

Mitchel, Ray and Van Ark (2014) reported that more than 1,000 respondents in a CEO challenge initiative indicated that human capital remains their top challenge, with customer relationships rising in importance in the past two years. Also, operational excellence and innovation remain vitally important for driving business growth and ensuring a sustainable future. CEOs know their organizations cannot retain highly engaged, high-performing employees without effective leaders who can manage, coach, develop, and inspire their multigenerational, globally dispersed, and tech-savvy teams (Mitchel, Ray & Van Ark, 2014).

Helmrich (2015) noted that from adapting to technological advances and economic changes, to retaining customers and recruiting top talent, business owners and CEOs have a lot of issues to handle nowadays. Other challenges include the temptation to diversify into unknown areas (the inability to stay focused) which may lead to unnecessary risk. In addition, managing a youthful workforce and enhancing employee engagement are critical issue that CEOs have to deal with. How business leaders face these challenges might just make or break their businesses. Pawlenty (2014) and Barton (2014) noted that the CEO of 2014 isn't the CEO of 1914.

Aside from being chief spokesperson, political strategist, good corporate citizen and running a business, the CEO is concerned with having his or her business model disrupted by innovation and using innovation to disrupt someone else's business. CEOs are concerned with team member excellence which requires outstanding recruitment, human-resource practices, training, mentoring, career advancement, communications and a modern work environment. CEOs are concerned with government compliance, regulation and litigation among other things.

Kanter (2014), Hertz (2014) argued that at the top of every CEO's worry list does not know exactly what to worry about. Uncertainty plagues nearly every company, and it affects performance and undermines morale. From a personal leadership perspective, most CEOs today admit, in private at least, feeling overwhelmed by their own to-do lists. Email overload is a widespread problem, stress levels are reaching new heights, the "urgent" crowds out the "important". Freeman(2014), Mainardi (2014), Mekjian (2014), Nolop (2014) noted that finding and retaining the best talent, making technology a competitive advantage, continuously enhancing client service, positioning yourself in a global marketplace, developing the right corporate culture, and cyber security are important issues for CEOs. In addition, Capital, growth, profitability and productivity are usually toward the top of the list for every CEO.
2.2 Development of Hypothesis

The growth in the number of academic projects/thesis conducted by students at the University Of Nairobi School of Business has been high. It was on record that in 1974 only eight (8) MBA academic projects were conducted. As of the year 2013, statistics from the School of Business indicated that 934 MBA academic projects were conducted. This is growth over 11600% in the span of 40 years. This also indicates an annual growth of 292%.

The field of business administration is criticized for focusing too heavily on theory and lacking practical application for managers, for focusing too heavily on practical application and not on theory, and even for being built upon a loose set of ideas with no adequate structure. While the growths of business administration thematic areas are evident through statistics, a question arises as to whether the growth has matched the needs of the industry in general and the primary concerns of managers and top executives in particular. This study is an attempt to establish the relevance of the growing thematic areas by considering how well the growth matches industry needs.

3. Methodology

The main objective of the study was to establish the thematic trends and industry relevance of MBA projects in the school of business, University of Nairobi. The study used secondary data which was collected from the report books in the school of business in University of Nairobi. Using window periods of approximately 10 years apart, 10 areas of thematic trends were identified over the period between 1974 and 2013. The thematic trend areas included; investment, marketing strategies, supervisor managers attitude, strategic management (planning), auditing of firms, financial performance, financing and funding, employee satisfaction, competitive advantage and others. The identification of the thematic trends was from literature which suggests the issues that keep CEOs awake at night. The use of such a framework to identify themes from the industry and match the same themes to academic projects informed the nexus between industry and academia and allowed the paper to relate the two fronts; industry and academia. The particular statistical methods were content analysis, correlations and regression time series analysis. Cohorts of 10 years were employed. The results were displayed in line and bar graphs.

THEMATIC TREND ANALYSIS

3.2.1 Thematic Trend Analysis From 1974-1984

3.2.1.1 Investment

Results in Figure 1.1 indicate the investment themes from the year 1974-1984 neither rose nor declined.
3.2.1.2 Financing

Results in Figure 1.2 indicated that the trend financing themes from the year 1974-1984 was irregular but positive.

3.2.1.3 Cost Benefit Analysis

Results in Figure 1.3 revealed that the trend in cost benefit analysis themes from the year 1974-1984 was irregular and indistinct.

3.2.1.4 Supervisor/ Managers attitude

Results in Figure 1.4 revealed that the trend in supervisor/managers attitude themes from the year 1974-1984 was not distinct.
3.2.1.5 Strategic Management

Results in Figure 1.5 indicate the trend in strategic management themes from the year 1974-1984 was positive but irregular.

\[ y = 0.3x + 0.166 \]
\[ R^2 = 0.192 \]

Figure 1.5: Strategic Management

3.2.1.6 Marketing Strategies

Results in Figure 1.6 indicate that the trend in marketing strategies themes from the year 1974-1984 was positive but irregular.

\[ y = 0.216x - 0.305 \]
\[ R^2 = 0.372 \]

Figure 1.6: Marketing Strategies

3.2.2 Thematic Trend Analysis From 1985-1994

3.2.2.1 Investment

Results in Figure 2.1 revealed that the trend in investment themes from the year 1985-1994 was positive but inconsistent.
3.2.2.2 Marketing Strategies

Results in Figure 2.2 indicate that the trend in marketing strategies themes from the year 1985-1994 was negative but irregular.

3.2.2.3 Supervisor/Managers attitude

Results in Figure 2.3 indicated that the trend in supervisors/managers attitude from the year 1985-1994 was positive but inconsistent.

3.2.2.4 Strategic Management

Results in Figure 2.4 indicated that the trend in strategic management themes from the year 1985-1994 was positive but inconsistent.
3.2.2.5 Auditing of Firms

Results in Figure 2.5 indicated that the trend on auditing of firms themes from the year 1985-1994 was positive but inconsistent.

3.2.2.6 Financial Performance

Results in Figure 2.6 indicated that the trend in financial performance themes from the year 1985-1994 was positive and consistent.

3.2.3 Thematic Trend Analysis From 1995-2004

3.2.3.1 Investment

Results in Figure 3.1 indicated that the trend on investment themes from the year 1995-2004 was positive and consistent.
3.2.3.2 Marketing Strategies

Results in Figure 3.2 indicated that the trend on marketing strategies themes from the year 1995-2004 was positive and consistent.

3.2.3.3 Supervisors/Managers Attitude

Results in Figure 3.3 indicated that the trend on supervisors/managers attitude themes from the year 1995-2004 was positive but inconsistent.

3.2.3.4 Strategic Management

Results in Figure 3.4 indicated that the trend on strategic management themes from the year 1995-2004 was positive but inconsistent.
3.2.3.5 Auditing of Firms

Results in Figure 3.5 indicated that the trend on auditing of firms themes from the year 1995-2004 was positive and consistent.

3.2.3.6 Financial Performance

Results in Figure 3.6 indicated that the trend on financial performance themes from the year 1995-2004 was positive and consistent.

2.3.7 Financing/Funding

Results in Figure 3.7 indicated that the trend on financing/funding themes from the year 1995-2004 was positive but inconsistent.
3.2.3.8 Employee Satisfaction

Results in Figure 3.7 indicated that the trend on employee satisfaction themes from the year 1995-2004 was positive but inconsistent.

3.2.3.9 Competitive Advantage

Results in Figure 3.9 indicated that the trend on competitive advantage themes from the year 1995-2004 was positive and consistent.
3.2.4 Thematic Trend Analysis From 2005-2013

3.2.4.1 Investment

Results in Figure 4.1 indicate that the trend on investment topics from the year 2006-2013 was positive and consistent.

![Investment graph]

3.2.4.2 Marketing Strategies

Results in Figure 4.2 indicate that the trend on marketing strategies topics from the year 2006-2013 was positive.

![Marketing strategies graph]

3.2.4.3 Supervisor/Managers attitude

Results in Figure 4.2 indicate that the trend on Supervisor/Managers attitude topics from the year 2006-2013 gained irregular but positive academic importance.
3.2.4.4 Strategic Management/Planning

Results in Figure 4.2 indicate the trend on Strategic Management/Planning themes from the year 2006-2013 as positive.

3.2.4.5 Auditing of firms

Results in Figure 4.5 indicate that the trend on auditing of firms themes from the year 2006-2013 gained relevance.

3.2.4.6 Financial performance

Results in Figure 4.5 indicate the thematic trends on financial performance from the year 2006-2013 gained importance.
3.2.4.7 Financing/ Funding

Results in Figure 4.7 indicated that the trend of financing/funding themes rose from the year 2006-2013.

3.2.4.8 Employee satisfaction

Results in Figure 4.8 indicated that the trend on employee satisfaction themes consistently rose from the year 2006-2013.
3.2.4.9 Competitive advantage

Results in Figure 4.9 indicated that the trend on competitive advantage themes from the year 2006-2013 was positive and consistent.

![Competitive advantage graph](http://journals.uonbi.ac.ke/damr)

**Figure 4.9:** competitive advantage

**TIME SERIES TREND ANALYSIS**

4.1 Investment

Results in the Figure 5.0 indicated that MBA projects with investment theme have been rising over the years. This could be explained by the increase in the number of students as well as the growing importance of investment themes in modern business management. Investment aspects such as Foreign Direct Investment, Investment in the security exchange, investment in real estate, investment in various business sectors have been the focus of MBA students since 1974. Challenges on investments still abound with the Government of Kenya trying craft policies of increasing foreign direct investments but the problem of inadequate access to FDI still persists. At a county government level, governors are putting effort at attracting investments to their counties to support infrastructural development and service delivery. However, three years down the line, the targets for investments are still beyond reach. This raises the question on the policy recommendations that the MBA projects may have given and whether the recommendations are indeed appropriate.

![Investment graph](http://journals.uonbi.ac.ke/damr)

**Figure 5.0:** Trend analysis on investment

4.2 Marketing Strategies

Results in the Figure 5.1 indicated that MBA projects with a theme on marketing strategies have been rising over the years. This could be explained by the increase in the number of students as well as the growing importance of marketing strategies.
themes in modern business management. However, the rise in importance of marketing strategies at an academic level has not yielded the required results at industry level. For instance, Kenya Airways, one of the best performing firms in the past in Kenya, has currently been making huge loss and had to be bailed by the government. Concerns have been raised whether this is related to poor marketing strategies or other factors such as mismanagement. This state of affairs raises the question of whether the recommendations suggested in academic projects were relevant.

Figure 5.1: Trend analysis on Marketing Strategies

4.3 Supervisor/Managers attitude

Results in the Figure 5.2 indicated that MBA projects with a theme on Supervisor/managers attitude have been irregular over the years. Manager’s attitude definitely affects the adoption of employees’ ideas. Attitude will define the role and importance of the manager in the company, employee motivation and decision making. Managers bring a number of changes in work and this will depend on manager’s personality, values, and attitudes. However, a significant concern of CEOs is that employee engagement is declining across many sectors primarily because of supervisors/managers attitudes. This has been evidenced by the drop in overall performance of listed firms and also by poor service delivery in government. Therefore, this status quo begs the question of whether the recommendations made by different MBA projects bore any relevance as the problems facing the industry have not changed for the better.

Figure 5.2: Trend analysis on supervisor/managers attitude

4.4 Strategic management

Results in the Figure 5.3 indicated that MBA projects with a theme on strategic management have been irregular over the years. The strategic management of organizations has been the focus of intensive
research efforts in recent times due to the rapid change in the macro and industry environment. Various MBA studies have been done on the effect/impact of strategic management on the performance of firms particularly SMEs (Mutia, 2005; Azegele, 2009). However, the rate of SME collapse has not decreased even as scholars continue to recommend strategic management practices as being a panacea to the problems facing SMEs. Mid-sized and large organization halve also not benefited from recommendations from strategic management scholars. The collapse of Panpaper Mills in the past has been attributed to poor strategic management by scholars. The insurance sector has also not been spared of the effect of poor strategic management, with the collapse of United Insurance, Blue Shield and Invesco Insurance firms’ among others. The collapses of these firms occurred even after scholars recommended various strategic management practices, thereby leading us to question the wisdom and relevance of the recommendations.

![Figure 5.3: Trend analysis on strategic management](image)

4.5 Auditing of firms

Results in the Figure 5.4 indicated that MBA projects with a theme on auditing of firms have been rising over the years. This could be explained by the increase in the number of students as well as the growing importance of auditing of firms themes in modern business management. Financial frauds over the last decade have been on the rise and various stakeholder focused attention on the role of auditor’s capability to examine more closely the reliability of company’s financial statements, including ways to improve audit quality and the availability and delivery of audit services to the general public. A failure in audit practices is a failure in corporate governance mechanisms. Fraud has been witnessed in most of the private and public companies. The occurrence of fraud and financial malpractice has been a key cause of poor performance and finally the collapse of financial and nonfinancial institutions. A case in point is Imperial Bank Ltd, Dubai Bank, Chase Bank, Nyaga stockbrokers, Discount securities, Kenya Airways, Uchumi Supermarkets. The rise in fraud and collapse of firms has been associated with arise in MBA studies on the role of auditing in the financial performance of various firms (Rugutt, 2008; Mbindyo, 2009). However, it seems that the recommendations that were continuously advocated as early as the year 1974 has not yet borne fruits and this sheds doubt as to their relevance.
4.6 Financial performance

Results in the Figure 5.5 indicated that MBA projects with a theme on financial performance have been rising over the years. This could be explained by the increase in the number of students as well as the growing importance of financial performance themes in modern business management. Financial performance refers to the degree to which financial objectives being or has been accomplished. Studies related to financial performance have been on a steady increase since 1974 (Ogeto, 1994; Awino, 2006). In Kenya, some companies have witnessed rise in profits while others suffered heavy losses. This has occurred despite the academic recommendations of what could be the important drivers of financial performance. Therefore, if the drivers are known from academic studies but firm still continue to perform poorly, could there be a lack of relevance for the past academic findings?

There has been a notable rise in the levels of financial deepening, access, inclusion, and intermediation. The financial sector has grown in leap and bounds and this is associated with the rise in MBA projects on funding. Therefore, the studies seem to be relevant if we rule out spurious/nonsense correlation
4.8 Employee satisfaction

Results in the Figure 5.7 indicated that MBA projects with a theme on employee satisfaction have received increasing but irregular attention over the years. Companies have to make sure that employee satisfaction is high among the workers, which is a precondition for increasing productivity, responsiveness, and quality and customer service (Ngendo, 2008; Gathoni, 2012). Employee’s satisfaction has been an important aspect of research in Kenya particularly in education sector. However, there have been numerous strikes by academic staff which has been termed by many as brought about by poor employee motivational practices such as poor pay and poor working conditions. Other sectors include counties whose health workforce are consistently on strike due to poor employee satisfaction. The increase in number of strikes and poor productivity among organizations makes the recommendations offered by MBA projects doubtful.

4.9 Competitive advantage

Results in the Figure 5.8 indicated that MBA projects with a theme on competitive advantage have been rising over the years. This could be explained by the increase in the number of students as well as the growing importance of competitive advantage themes in modern business environment. Competitive advantage can be gained by offering clients better and greater value, advertising products or services with lower prices (Kibiru, 1999; Nyakio, 2012). MBA students have concentrated on competitive advantage, methods and
recommendations on how to compete favorably. Despite this, many firms have not been able to outperform other rival firms by establishing what is key and important to them in order to win over customers. Local example is communication sector where one particular service provider is always dominant in the market place (safaricom). The rival firms Airtel, Orange and YU mobile have been unable to adopt lessons from MBA projects in an effort to increase their competitive advantage. This has seen the exit of YU mobile and the likelihood of Orange Kenya being bought out by strategic investors. This puts into question the relevance of MBA project recommendations.

**CONCLUSIONS**

From the results, it can be concluded that there has been an increase in academic projects on human resource themes such as employee satisfaction at the University of Nairobi. This is in line with the industry requirements (Helmrich, 2015, Freeman, 2014). In addition, the study concluded that there has been an increasing trend on the study of financing and investment themes at the University of Nairobi, school of business. The findings are also consistent with those in Freeman (2014), Mainardi (2014) who noted that Capital, and balancing the firm’s short-term performance with the longer-term strategic direction are issues of critical concerns to CEOs. Findings also revealed that academic projects at the University of Nairobi have laid emphasis on marketing themes. The findings agree with those in Freeman (2014), Mainardi (2014) who noted a rising concern in continuously enhancing client service, Mekjian(2014), Nolop (2014), Mitchel, Ray and Van Ark (2014) who noted an increased emphasis on customer relationships in the current turbulent business environment.

However, academic projects at the School of business have failed to address some of the concerns of CEOs and business owners. This includes leadership aspects noted by Mitchel, Ray and Van Ark (2014) which are: improve leadership development programs, enhance the effectiveness of senior management teams, improve the effectiveness of frontline supervisors and managers, and improve succession planning. This is because CEOs know their organizations cannot retain highly engaged, high-performing employees without effective leaders who can manage, coach,
develop, and inspire their multigenerational, globally dispersed, and tech-savvy team.

Other areas that CEOs are concerned with but are not emphasized in academic projects at the University Of Nairobi School Of Business are cyber security and work life balance for CEOs. For instance, Kanter (2014), Hertz (2014) noted that from a personal leadership perspective, most CEOs today admit, in private at least, feeling overwhelmed by their own to-do lists. Furthermore, keeping up with technology changes (mobility, big data) and making technology a competitive advantage as a theme has not gained the attention it deserves at the University of Nairobi academic projects despite the high prioritization by industry. Finally, MBA projects at the University of Nairobi may have advanced recommendations whose relevance can be doubted because this has not been adopted by the industry. The evidence of non-adoptions of the recommendations can be seen from the collapse of banks such as Dubai Bank, Imperial Bank, and poor performance of Kenya Airways, uchumi supermarkets, among other firms.

IMPLICATION OF THE STUDY

The study has implications to theory, practice and policy. From a theoretical standpoint, the study advances new knowledge on industry-university academic linkage. It questions the applicability of content orientation and the pedagogical orientation that is supposed to inform competence in MBA students and create value for industry. Consequently, this paper provides a fertile ground of arguing for and against competence theories and how competencies which are of value to industry are acquired. From a practical standpoint, principals and deans in academia need to question the relevance of the MBA projects from a practical standpoint. This may call for a more rigorous process which is multidisciplinary in nature to assess the link between MBA projects and industry needs. From a policy point of view, the Commission of Higher Education and the Federation of Kenyan Employers need to emphasize the need for organizations to fund the MBA academic projects so that they are oriented to real life industry needs.

References


