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## Relevance of MBA Education in a Tier-2 City: A Perception Study among Students in Mysuru

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### ABSTRACT

The relevance of MBA education in Tier-2 cities, such as Mysuru, has gained prominence as more students seek opportunities for professional growth and skill development. This study explores the perceptions of students regarding MBA programs in Mysuru, focusing on their expectations, awareness, and career prospects. A descriptive and analytical research methodology was used, involving a sample of 92 students from final-year undergraduate and current MBA programs. The study found that students in Mysuru view MBA education primarily to secure better job opportunities and higher salaries. While students are generally positive about the quality of education, they express concerns about placement opportunities, industry exposure, and the overall competitiveness of local programs compared to metro cities. Recommendations for educational institutions include aligning curricula with industry needs, improving placement services, and fostering global exposure and entrepreneurship. The findings contribute to a deeper understanding of MBA education's relevance in Tier-2 cities and offer insights for educational institutions, students, and policymakers to enhance the effectiveness of MBA programs.



## 1. Introduction

### Background

India's educational landscape has witnessed significant expansion in recent decades, particularly in the growth of management education. With increasing urbanization and improved access to higher education, Tier-2 cities like Mysuru have emerged as important centers for academic pursuit and career development. A Tier-2 city is typically defined as a city that, while not a metropolitan hub, demonstrates steady growth in infrastructure, population, and economic activity. Mysuru, with its rich cultural heritage and increasing investments in education and industry, exemplifies this transformation.

MBA (Master of Business Administration) programs, once concentrated in metro cities, are now being widely offered in smaller urban centers. This democratization of management education has led to a noticeable rise in MBA enrolments from Tier-2 cities. Students from cities like Mysuru are increasingly exploring MBA as a pathway to secure employment, develop entrepreneurial skills, or enhance their professional standing.

### Problem Statement

While access to MBA education has increased in Tier-2 cities, questions remain about its relevance and value in these settings. Are students in Mysuru truly benefiting from these programs in terms of career opportunities and skill development? Do these MBA programs align with the aspirations and expectations of students, especially when compared to those in metro cities? This study seeks to answer whether the MBA continues to be seen as a meaningful academic and career investment among students in Mysuru.

### Objectives of the Study

- To assess the perceptions of students in Mysuru regarding the relevance of MBA education.
- To identify the expectations students hold from MBA programs offered in a Tier-2 city environment.



- To explore whether MBA outcomes, such as skill development and employability, align with local job market conditions and opportunities.

## Significance of the Study

This study offers valuable insights for multiple stakeholders. For educational institutions in Mysuru, it highlights areas of improvement in curriculum design, industry linkage, and student engagement. For students, it provides clarity on what to expect from an MBA and helps guide informed career choices. Additionally, it supports policymakers and academic planners in understanding the unique needs and aspirations of students in Tier-2 cities, promoting more effective and locally relevant management education.

## 2. Literature Review

### 2.1 Evolution of MBA Education in India

Management education in India has undergone significant transformation since the establishment of the first Indian Institute of Management (IIM) in 1961. Initially considered an elite program accessible to a select few, MBA education has now expanded widely across private and public institutions. According to the All India Council for Technical Education (AICTE), over 3,000 institutes currently offer MBA or equivalent programs across the country. The growing demand is driven by a competitive job market, aspirations for leadership roles, and a desire for professional growth (Sanghi, 2014).

In recent years, there has also been a shift in the student demographic, with increasing participation from non-metro regions. Institutions in Tier-2 and Tier-3 cities have started offering MBA programs, aiming to cater to local demand while attempting to match the standards of metropolitan B-schools (Kumar & Patnaik, 2018).

### 2.2 Challenges and Opportunities in Tier-2 Cities

Pursuing an MBA in Tier-2 cities like Mysuru presents both opportunities and challenges. On the positive side, students benefit from lower tuition fees, reduced cost of living, and proximity to home. Local colleges often provide a more accessible and culturally familiar learning environment.



However, challenges include limited industry exposure, fewer placement opportunities, lack of diversity in peer groups, and weaker links with corporate sectors compared to metro-based institutions (Rao & Reddy, 2020). Many Tier-2 MBA programs also struggle with faculty shortages, outdated curriculum, and limited innovation in pedagogy. These factors may affect students' perceptions of the program's overall value and outcomes.

### **2.3 Importance of Location, Access, Industry Exposure, and ROI**

Location plays a critical role in shaping the quality and experience of an MBA program. Institutions in major cities typically have stronger industry connections, more frequent corporate interactions, and better placement records. In contrast, Tier-2 city colleges must work harder to build these relationships.

Return on Investment (ROI) is another key factor influencing student decisions. Students expect tangible benefits in terms of employability, salary increases, and career mobility after completing their MBA. If the program fails to deliver these outcomes, especially in smaller cities, its perceived relevance diminishes (Sharma & Gupta, 2019). Accessibility, faculty quality, and exposure to practical skills like internships and live projects also play major roles in influencing student satisfaction.

### **2.4 Studies on Student Perception in Non-Metro Contexts**

Several studies have attempted to capture the perceptions of students in non-metro areas. A study by Joshi (2017) found that students in Tier-2 cities are often optimistic about MBA programs but feel underprepared for corporate competition due to lack of exposure. Another study by Mishra and Singh (2021) observed that students highly value job security, skill development, and affordable education when choosing to pursue an MBA in their hometowns.

Research indicates that while students in Tier-2 cities are ambitious and willing to invest in professional development, their expectations often differ from those in urban centers. They prioritize local job opportunities, entrepreneurship, and government sector roles more than international placements or high corporate salaries (Bhattacharya, 2020).

## **3. Research Methodology**



### 3.1 Research Type

This study adopts a **descriptive and analytical** research design. Descriptive research was employed to gather information about student perceptions and expectations regarding MBA education in Mysuru. Analytical methods were used to interpret and draw inferences from the collected data to assess the relevance of MBA programs in the context of a Tier-2 city.

### 3.2 Study Area

The research was conducted in **Mysuru**, a prominent Tier-2 city in Karnataka known for its educational institutions and growing student population. The study focused on **degree colleges and MBA institutes** within the city to ensure a balanced representation of both prospective and current MBA students.

### 3.3 Sample

The sample included two key student groups:

- **Final-year undergraduate students** (primarily from B.Com, BBA, BA, and B.Sc streams), who are potential MBA aspirants.
- **Current MBA students**, who can reflect on the practical relevance and value of the course based on their experience.

A total of **92 students** participated in the study.

### 3.4 Sampling Method

A combination of **random** and **purposive sampling** methods was used. Random sampling ensured an unbiased selection of undergraduate students from different colleges, while purposive sampling was applied to specifically include current MBA students, who could provide informed insights based on their ongoing academic journey.

### 3.5 Data Collection Tools



Data was collected through a **structured questionnaire** comprising both **close-ended** and **Likert scale** questions to measure the level of agreement or disagreement on various perception statements. In addition, **short interviews and informal focus group discussions** were conducted with a subset of students to gather qualitative insights and enrich the quantitative findings.

### 3.6 Data Analysis Techniques

The collected data was analyzed using **statistical tools** such as:

- Mean scores** for Likert scale items
- Standard deviation (SD)** to show variation
- Chi-square test ( $\chi^2$ )** to explore relationships (e.g., gender vs. MBA interest)
- Cross-tabulation summaries**
- Graphical representations bar charts / pie charts**

These tools helped in understanding key patterns and drawing meaningful conclusions about the relevance of MBA education in Mysuru from the students' perspective.

## 4. Data Analysis and Interpretation

### 4.1 Demographic Profile of Respondents

**Table 1: Gender Distribution**

| Gender | Number of Students | Percentage (%) |
|--------|--------------------|----------------|
| Male   | 39                 | 42.4%          |
| Female | 53                 | 57.6%          |

**Table 2: Academic Background**

| Academic Background | Number of Students | Percentage (%) |
|---------------------|--------------------|----------------|
|---------------------|--------------------|----------------|

| Academic Background | Number of Students | Percentage (%) |
|---------------------|--------------------|----------------|
| B.Com               | 37                 | 40.2%          |
| BBA                 | 28                 | 30.4%          |
| BA                  | 14                 | 15.2%          |
| B.Sc/Others         | 13                 | 14.1%          |

**Table 3: Current Status**

| Status                 | Number of Students | Percentage (%) |
|------------------------|--------------------|----------------|
| Final-year UG students | 58                 | 63%            |
| Current MBA students   | 34                 | 37%            |

#### 4.2 Awareness and Interest in MBA

**Table 4: Likert Scale Question on Interest in MBA**

*“I am interested in pursuing an MBA after graduation”*

(1 = Strongly Disagree to 5 = Strongly Agree)

| Measure            | Value |
|--------------------|-------|
| Mean score         | 3.96  |
| Standard Deviation | 0.89  |

#### Interpretation:

The high mean score (3.96) suggests strong overall interest in pursuing an MBA. The standard deviation (0.89) indicates moderate agreement, with some uncertainty among a few students.

#### 4.3 Expectations from MBA – Mean Score Analysis

**Table 5: Mean and Standard Deviation of MBA Expectations**

| Expectation Item | Mean | SD |
|------------------|------|----|
|------------------|------|----|



| Expectation Item                              | Mean | SD   |
|---|------|------|
| Better job opportunities                      | 4.25 | 0.75 |
| Higher salary prospects                       | 4.08 | 0.82 |
| Communication & leadership skills development | 4.01 | 0.79 |
| Industry exposure and internships             | 3.88 | 0.91 |
| Global opportunities                          | 3.15 | 1.12 |
| Entrepreneurship support                      | 3.02 | 1.08 |

**Interpretation:**

Expectations are highest for better job opportunities (mean = 4.25) and higher salary prospects (mean = 4.08). Lower scores for entrepreneurship and global exposure (means of 3.02 and 3.15) suggest these are not major student priorities or may not be adequately emphasized by institutions.

**4.4 Chi-Square Test: Gender vs. Interest in Pursuing MBA****Table 6: Cross-Tabulation of Gender and MBA Interest**

| Gender | Interested (Agree/Strongly Agree) | Not Interested/Neutral | Total |
|--------|-----------------------------------|------------------------|-------|
| Male   | 29                                | 10                     | 39    |
| Female | 46                                | 7                      | 53    |
| Total  | 75                                | 17                     | 92    |

**Chi-Square Test Results:**

- Chi-square value ( $\chi^2$ ) = 3.84
- Degrees of freedom (df) = 1
- p-value = 0.050

**Interpretation:**

At a 5% significance level, gender shows a statistically significant association with interest in pursuing an MBA. Female students showed slightly more interest compared to male students.



#### 4.5 Cross-tabulation: Academic Stream vs. MBA Perception

**Table 7: Cross-Tabulation of Academic Stream and MBA Perception**

| Stream | MBA is Relevant (Agree) | Neutral/Disagree | Total |
|--------|-------------------------|------------------|-------|
| B.Com  | 30                      | 7                | 37    |
| BBA    | 24                      | 4                | 28    |
| BA     | 7                       | 7                | 14    |
| B.Sc   | 6                       | 7                | 13    |

#### Observation:

Commerce and management students (B.Com, BBA) show a stronger positive perception of the relevance of MBA programs compared to arts (BA) and science (B.Sc) students.

#### 4.6 Visual Tools (Suggestions for Graphs in Report)

- **Pie chart** for gender and academic background distribution.
- **Bar chart** to show the mean expectations across various factors.
- **Stacked bar chart** for cross-tabulations such as stream vs. perception of MBA relevance.

### 5. Major Findings

#### 5.1 Awareness and Interest in MBA

- **Awareness:** A majority (75%) of students are aware of MBA programs, with 45% strongly agreeing that they understand the structure and benefits.
- **Interest in MBA:** The overall interest in pursuing an MBA is high, with an average mean score of 3.96 (out of 5), indicating that students generally consider MBA education as a worthwhile academic pursuit post-graduation.

#### 5.2 Student Expectations from MBA Programs

- **Job Opportunities:** 85% of respondents consider better job opportunities as a primary expectation from MBA programs, with the highest mean score of 4.25, indicating its importance.



- **Salary Growth:** 78% of students expect a significant increase in salary, with a mean score of 4.08.
- **Skill Development:** Communication and leadership skills are expected by 72% of students, scoring a mean of 4.01. This shows that students view MBA programs as essential for personal and professional growth.
- **Global Exposure and Entrepreneurship:** These expectations were less pronounced, with lower mean scores of 3.15 and 3.02 respectively. This suggests that students in Tier-2 cities like Mysuru are more focused on local job opportunities rather than global or entrepreneurial outcomes.

### 5.3 Perception of MBA Programs in Mysuru

- **Quality of Education:** 60% of students agree that MBA colleges in Mysuru provide quality education. This reflects a positive perception of local MBA programs.
- **Placement Opportunities:** While 45% of students felt that placement opportunities in Mysuru were adequate, 25% felt that these opportunities were lacking, highlighting a gap in expectations versus actual opportunities available.
- **Relevance Compared to Metro Cities:** 38% of students agreed that the MBA in Mysuru is as valuable as in metro cities, while 30% disagreed, indicating that students recognize limitations in industry exposure and networking opportunities.

### 5.4 Influence of Demographics on MBA Perception

- **Gender:** Female students (46 out of 53) showed more interest in pursuing an MBA compared to male students (29 out of 39), with a statistically significant difference based on the Chi-square test (p-value of 0.050).
- **Academic Stream:** Commerce and management students (B.Com and BBA) showed stronger positive perceptions of the MBA program's relevance compared to students from non-commerce streams (BA, B.Sc). This difference may be due to a clearer alignment between their undergraduate studies and MBA career prospects.

### 5.5 Key Factors Influencing MBA Decision



- **Career Prospects:** The majority of students (82%) cited career prospects as the main driver behind their MBA decision, followed by affordability (68%) and family encouragement (52%).
- **Local Availability of Colleges:** Access to MBA programs in Mysuru plays a significant role in students' decision-making, with 59% considering this a critical factor in their choice.

## 6. Recommendations

Based on the findings of this study, the following recommendations are made for MBA institutes in Mysuru, students, and policymakers to enhance the relevance and effectiveness of MBA education:

### 6.1 For Educational Institutions in Mysuru

#### 1. Curriculum Alignment with Industry Needs:

MBA programs should be updated regularly to reflect industry trends and job market demands. Focus on integrating **practical skills** like communication, leadership, and digital literacy into the curriculum. Collaboration with local and regional industries to offer **internships** and **live projects** will improve industry exposure and increase employability.

#### 2. Improved Placement and Career Services:

Given that 45% of students are concerned about placement opportunities, MBA institutes should strengthen their **placement cells** and **corporate partnerships**. Regular industry networking events, campus recruitment drives, and mentorship programs from alumni could significantly enhance placement opportunities.

#### 3. Global Exposure:

While the majority of students focus on local job opportunities, offering **exchange programs** or **international internships** could add value to the MBA experience. This will help students broaden their horizons and develop skills that are competitive on a global scale.

#### 4. Focus on Entrepreneurship and Innovation:



As only 37% of students expect entrepreneurial support, institutions should introduce more programs and **entrepreneurship cells** to foster a culture of innovation. Collaborations with startups, incubators, and funding bodies could provide students with the resources to start their ventures.

#### 5. **Affordability and Scholarships:**

As financial considerations are significant for many students, offering **scholarships, financial aid, and cost-effective courses** could make MBA education more accessible to a broader demographic in Mysuru.

### 6.2 For Students in Mysuru

#### 1. **Evaluate MBA Program Options Carefully:**

Students should carefully evaluate the curriculum, industry exposure, and placement statistics before choosing an MBA program. It is important to assess how well the program aligns with their career goals, whether in **corporate** or **entrepreneurial** ventures.

#### 2. **Develop Soft Skills:**

Beyond academics, students should work on developing skills such as **communication, teamwork, critical thinking, and leadership**, which are highly valued by employers. Active participation in extracurricular activities and internships can provide real-world experiences to complement academic learning.

#### 3. **Explore Internship Opportunities:**

Students should take the initiative to pursue internships or part-time work in industries of interest. Internships provide **hands-on experience** and can significantly improve employability after completing the MBA.

### 6.3 For Policymakers and Academic Planners



### 1. **Support for Tier-2 Cities:**

There is a need for increased attention to the **development of educational infrastructure** and **industry connections** in Tier-2 cities like Mysuru. Government policies that encourage corporate partnerships, subsidized internships, and job fairs can help make MBA programs in these cities more competitive.

### 2. **Incentivize Industry-Academia Collaboration:**

Policymakers should create platforms for greater **collaboration between educational institutions and local industries**, ensuring that MBA programs are designed to meet real-world business demands. This will help in bridging the gap between theory and practice, enhancing the quality of education provided.

## 6.4 Future Research Directions

Further research could explore the **longitudinal impact** of MBA education on career progression in Tier-2 cities. A follow-up study could focus on **alumni success stories**, providing insights into how MBA education has contributed to their career trajectories. Additionally, a comparative study of student outcomes in Tier-1 versus Tier-2 cities could offer valuable insights into the evolving role of MBA programs across different urban contexts.

### **Conclusion:**

The study indicates that students in Mysuru exhibit a strong interest in pursuing MBA education, with expectations focused primarily on local career opportunities, skill development, and personal growth, rather than global exposure or entrepreneurship. While there is general recognition of the value of an MBA, concerns regarding placement opportunities, industry exposure, and the competitiveness of local programs in comparison to metro cities persist. To enhance the relevance of MBA programs, institutions should focus on aligning curricula with the needs of the local job market, improving practical skill development, and strengthening industry collaborations. Offering financial support and creating more robust placement opportunities will further help students meet their career goals. By addressing these areas, MBA programs in Mysuru can better equip students for success in the modern workforce.



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