

## The Recent Trends in Financial Management in Industry And Its Implementation In Academia With The Help Of NEP 2020.

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### Abstract

Education is the fundamental activity for the achievement of the overall growth of human beings that contributes towards increasing the potential of human beings, development of the society, and the development of the nation. The aim of the Indian education system has always been to provide global quality education. To develop more development and employability among the youngsters of India. To promote quality education with more focus on multi-dimensional education in India, and build foundational capacities change in the existing education policy was required. And hence, the New Education Policy 2020 was introduced with the aim of providing quality education to Indian students and developing them, and making them employable at the global level. The NEP focuses on having industry ages with the educational institutes, so it will make the fonts aware of the recent trends and industry requirements in their respective fields. This paper is focused on the recent trends in the industry of Financial Management is inside of more technological use, such as recording financial transactions, and with that, bridging the gap between the academic curriculum and the industry requirements.

**Keywords-** NEP 2020, Financial Management, Industry linkage, Recent trends in finance

### Introduction

The New Education Policy in 2020, lays emphasis on the development and updating of the potential of students in India. The policy focuses on the fundamental reforms in the education system and provides the knowledge required as per the recent trends. The policy aims at providing quality education to enhance the skills required to be employable and understand the recent and required technology implementation in academia. The policy helps in recognizing and identifying the capabilities of the students, having a multidisciplinary approach, use of technology and its usage, and synergy in curriculum and this will help in directly transforming India. With the help of NEP 2020, there is a need to promote the recent trends in the finance industry in academia which will help the students of finance to increase their knowledge as per industry requirements and ensure the increase in employability among the students and fresher graduates. Education is the fundamental activity for the achievement of the overall growth of human beings that contributes towards increasing the potential of human beings, development of the society, and the development of the nation. The aim of the Indian education system has always been to provide global quality education. To develop more development and employability among the youngsters of India.

The industry-academia collaboration is important as it plays a strategic role in the skill development of the students which is required by the industry. This collaboration will help in making students employable and adoption of the required and updated knowledge. The industry academia collaboration helps in development of the research and create qualified workforce, specialised and trained employees. These partnerships will promote the new opportunities, more scope and opportunities for research,

### Scope

The scope of this paper is related to the recent trends in financial management in the industry and what additions are required to be made in the curriculum to make them employable and reduce the gap between industry and academia is focused on. As it is needed to bridge the gap between industry and academics and this is possible by developing the curriculum with the help of industry collaboration.

Financial Management is the field wherein modern technology and software are used to maintain and process financial data. In this paper, the recent trends in financial management are discussed, such as Blockchain, Cloud Banking, Artificial Intelligence, Neo Banks, Robotic Process Automation, Financial Modelling, Financial Analysis, IFRS, Machine Learning, SAP Fico, etc.

### Objectives

- ❖ To understand the recent trends in the financial management industry.
- ❖ To know what changes can be made to the existing curriculum under NEP 2020.
- ❖ To understand the overall skills required by finance students to be employable in the industry and how NEP 2020 will contribute to the same.

### Literature Review

#### **DeryaBaskan, Tuba. (2021). New Trends in Banking and Finance.**

“The purpose of this chapter is to determine how the profitability and capital structure of banks using this appraisal method is affected. According to the study, while there is a significant relationship between the capital structure and liquidity in the valuation methods of financial instruments, there is no meaningful result between capital structure and profitability.”

#### **Rehman, Sufia. (2014). EMPLOYABILITY SKILLS : THE NEED OF THE GRADUATES AND THE EMPLOYER. VSRD International Journals of Business and Management Research.**

“Every fresh graduate coming out of the college is concerned about the future. They are full of questions about how to survive in the job market, tricks to win and influence the recruiters during the job interview, what are the recruiters looking for and what unique combination of skills, attributes and values are required in order to secure that first job as well as navigate in the career. There's a gap between employer's expectations and the college produce. Understanding and meeting the skill requirements of the corporate world is a challenge. In the current economic climate the employers look for skills beyond the degree. Today graduates need not only the technical skills to perform specific tasks they also essentially need to have the employability skills set: aptitude, communication, attitude, problem-solving and teamwork etc.

Here we try to seek answers to questions like: What are skills for employability? Why are employability skills important? and How can a fresh graduate develop these skills.”

#### **Mohan Dass, Mohan & Sarfraz, Isra & Hewege, Chandana & Rajendran, Diana. (2018). An exploration of global employability skills: a systematic research review. International Journal of Work Organisation and Emotion. 9. 63. 10.1504/IJWOE.2018.10012435.**

“The purpose of this paper is to explore and categorise, through a systematic research review, the key employability skills identified by researchers across the globe. This paper also aims to identify any similarities and differences present in employability skills demand of different sectors of industry or parts of the world. For the purpose of this study, 43 studies conducted across 17 countries were included and a systematic research review protocol was applied to develop categories. A vote-counting technique was used for the purpose of data analysis. The results revealed a set of employability skills commonly reported worldwide as important by all studies included in the review. These skills were further re-grouped under ten different skill sets. The findings of this study point to several implications for educators, employers, graduates and policy makers.”

#### **Bhola, Sarang. (2017). Employability Skills, Academic Perspective and Curriculum Development: A Review.**

“This study examines the existing literature in the field of Employability skill existing in globe. The focus of the literature survey is to review these employability skills, perception of academia and their role in development of employability skills oriented curriculum. The employability skill analysed in this literature survey include is MBA graduates, Engineering graduates as well as University students

too. The employability skill statuses of the respondents are in need to improve the existing district. Being superior at one skill cannot make easy the capability in other. Hence, the recent day situation is that the aspirant who is multi-tasking can maintain and gain in employment.”

**Fajaryati, Nuryake&Budiyono, B. &Akhyar, Muhammad &Wiranto, Wiranto. (2020).**

“The Employability Skills Needed To Face the Demands of Work in the Future: Systematic Literature Reviews. Open Engineering. 10. 595-603. 10.1515/eng-2020-0072. The qualified human resources with high competitiveness and employability skills are needed to face the era of technological disruption, but employers find a lack of expertise among job seekers. Insufficient skills are related to the issue of education quality. This study aims to identify the employers' employability skills needed in the career field and the way to integrate it into the instructional process. The research was conducted through Systematic Literature Review (SLR) and mapping approach that consisted of three stages: planning, conducting, and reporting. The literature reviews in this research were derived from Science direct, Springer and IEEE as the main references. The results from the analysis in the literature review showed that employability skills are needed in relation to the work demands in the future according to the employers covering communication, team working, problem solving, and technological skills. The implementation of employability skills in the instructional process is to integrate them into the classroom for all subjects.”

**Selvam, Manjula & Farooqi, Ataur& Ramesh, Pallavi & Manickam, Ramachandran &Soundharaj, Sowmiya. (2022). A Brief Study On Recent Trends in Financial Literacy. 10.46632/rmc/3/1/7.**

“Financial literacy is personal financial management, credit various financing including budgeting and investment Ability to understand and use skills effectively. Financial literacy with money your relationship foundation its lifelong learning journey. According to financial literacy and the Education Commission, the five main components of financial literacy are: learning, spending, savings and investing, borrowing and securing. Financial literacy is learning How to manage your money. This means yours How to pay bills, borrow and make money. Saving responsibly and how and why to invest and learning to plan for retirement. Financial literacy is cognitive understanding of financial components and skills Budget, investment, borrowing, taxation and personal finance management. While the financial education umbrella comes under many skills popular examples include the home budget, learning loans How to manage and repay various loans and investment products In between include business appraisal”

### **Research Methodology**

The paper is a descriptive type of research paper and is based on secondary sources of data. The data is gathered from the sources such as case studies, case-based journals, news articles, and already-published research papers and real-life examples.

### **Data Analysis and Interpretation**

#### ***Emerging trends in Financial Management in Industry-***

##### **1. Digital Transformations-**

Financial Management is the area that has witnessed most of the digital transformations in the country and is continuously focused on digitization and the adoption and implementation of the new and emerging technology required for the easy and efficient maintenance of financial data and its analysis. Such as, Online banking, digital money, digital insurance services, digital transfer of money digital finance, dematerialisation of securities etc. Fintech is the most emerging field in India.

Digital finance and digital money are the new trend is Fintech. Fintech is developing rapidly in India. Online transactions, UIP money, Finance related Software are used to operate transactions in the financial world.



## 2. **Financial Modelling -**

Financial Modelling is the mathematical model of the financial aspects of the company. It is used to calculate and predict the valuation of the company. Usually, financial modelling is done with the help of advanced excel techniques. Financial Modelling includes the making of the fundamental representation of the financial situation. It helps in the calculation of the financial valuation of the company and compares it with the competitors. The skills required to work on the tools of financial modelling which might help students be employable via academics include-

Strong knowledge of accounting.

Advance Excel

The knowledge of financial statements, and how to link that to each other.

Problem-Solving skills

Attentiveness

Ability to work with the data

## 3. **Financial Analytics-**

The common hard skill required for finance domain candidates is financial analytics. It helps in getting insights into the company's financial performance and information. This helps in answering business questions and forecasting financial scenarios and building a business strategy. By analysis of financial data, one can be able to identify all the patterns of financial outcomes, which will tend to increase the company's value.

## 4. **IFRS-**

International Financial Reporting Standards are required to maintain the financial records and report the financials of the company. IFRS is used to maintain global reporting standards that help in understanding the accounting language of global investors and other related parties.

## 5. **Machine Learning-**

To evaluate the risks, calculate the credit scores of the clients, manage assets, automatic approval of loans, for all such works, machine learning is used nowadays. Machine learning is the application of Artificial Intelligent focused on data processing and maintaining it.

## 6. **SAP FICO-**

SAP FICO is helping an organization maintain, store, and the financial data, and it helps companies to generate the analysis of financial statements and reporting which leads to efficient and effective business activities planning and effective decision making.

## 7. **Cloud Banking-**

Cloud banking is the financial service provided by banks inclusive of data storage, transaction processing, networking, and fintech, with the help of the internet. Cloud banking creates the operational efficiency in the banking operations, by creation of well secured tech application by following of regulations that are applicable to the banking industry. It also helps in detecting and reducing the frauds, and adds up flexibility in the business model. Cloud Banking is the need of future.

## 8. **Neo Banks -** Neo Banks are new age banks. These banks do not have any physical location, but its operations are running smoothly with the help of Internet. These banks allow all the banking functions, such as Depositing money, withdrawing money, lending services, debit card functions, investments facilities online and is an emerging part of cloud banking. The examples of Neo Bank is Paytm bank.

### *Implementation of financial trends in the academia with the help of NEP-*

NEP 2020, focuses on providing vocational education to students, it is expected that the gross enrolment ratio will increase to 50% by the end of 2035. The NEP is also suggesting that the National Technology Education Forum is to be established which will help in providing information in using technology in teaching-learning and also to use the technology required as per industry expectations.

The recent trends can be applied in the Curriculum by updating and implementing the changes in the curriculum as per industry requirements.

Education institutes must focus on the development of Soft and Hard skills required for the finance professionals such as,

Communication skills,

Interpersonal Skills,

Aptitude skills,

Financial analytical skills, etc.

Apart from these skills, the software that is used in the Financial Management Industry can also be added as practical exposure to the students and can be taught through simulation programs. The list of software used in India includes, -

Quickbooks,

ZohoFinance Plus,

Xero,

Oracle Financial Controls,

Sage Intacct.

Kissflow finance & ops cloud.

By learning this software through simulation, students get more hands-on experience, and more preferences in getting jobs, and make them all rounder as students will have the theoretical and practical knowledge on financial management topics.

The NEP 2020, has more focus on having more practical exposure and has credits to all additional knowledge the students will get apart from the curricular aspect. And hence, all these recent trends can be added to the academia as add-on courses that are used and required by the industries in for their working of financial management.

### **Conclusion**

The recent trends in the industry of Financial Management are inclusive of more of technological use, such as use of software to record the daily transactions, to prepare the financial statements and its reporting. The use of Fintech in performing the daily transactions, and its recording. And to be unable to be updated about all the recent trends in the industry it is very important to add up additional courses in the curriculum and it is supported by the NEP 2020.

The NEP 2020 motivates the educational institutes to have more focus on the development of vocational courses, practical knowledge exposure via simulation, case study methods, industry expert interactions with students, which will aware them about the requirements of employability in their respective fields and this will definitely promote the implementation of recent trends in financial management industry in the academia.

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