

SHORT COMMUNICATION

Diverging Paths: Understanding the Differences Between Financial Success and Academic Success: A Personal Statement Based on Indian Education Landscape

Rohit Kumar Pal

How to cite this article:

Rohit Kumar Pal. Diverging Paths: Understanding the Differences Between Financial Success and Academic Success: A Personal Statement Based on Indian Education Landscape. J Soc Welfare Manag. 2025; 17(1): 57-62.

ABSTRACT

While academic success is often associated with intellectual achievements, high grades, and scholarly recognition, financial success is typically measured by wealth accumulation, career advancement, and financial stability. Although both forms of success require discipline, effort, and strategic decision-making, they follow distinct trajectories and demand different skill sets. This review explores the fundamental differences between financial and academic success, examining their definitions, key influencing factors, and societal perceptions. It also discusses the extent to which academic achievements contribute to financial prosperity and whether financial success necessitates formal education. By analyzing real-world examples and scholarly perspectives, this article highlights the evolving dynamics between knowledge, skills, and financial well-being in the modern world.

KEYWORDS

• Academic success • Financial success • Wealth accumulation • Career advancement • Education • Skill development • Intellectual achievement • Societal perception • Economic stability • Success factors

INTRODUCTION

Academic success and financial success are two distinct yet often conflated concepts, each representing different facets of personal and professional achievement. Academic success typically refers to the attainment of educational

goals, high grades, and scholarly recognition, reflecting an individual's intellectual growth and mastery of specific disciplines. Financial success, on the other hand, is generally measured by wealth accumulation, income levels, and financial stability, indicating one's

AUTHOR'S AFFILIATION:

Head of the Department, Department of Biological & Environmental Sciences, R.I.C.E Education, Kolkata, West Bengal 700056, India.

CORRESPONDING AUTHOR:

Rohit Kumar Pal, Head of the Department, Department of Biological & Environmental Sciences, R.I.C.E Education, Kolkata, West Bengal 700056, India.

E-mail: rohitpal241@gmail.com

➤ **Received:** 10-02-2025 **Accepted:** 27-03-2025



Creative commons non-commercial CC BY-NC: This article is distributed under the terms of the creative commons attribution non-commercial 4.0 License (<http://www.creativecommons.org/licenses/by-nc/4.0/>) which permits non-commercial use, reproduction and distribution of the work without further permission provided the original work is attributed as specified on the Red Flower Publication and Open Access pages (<https://rfppl.co.in>)

economic prosperity and ability to manage resources effectively. The relationship between education and economic outcomes has been extensively studied. Research indicates that higher educational attainment can lead to increased lifetime earnings, suggesting a link between academic success and financial well-being.

However, the correlation between academic credentials and financial success is not always straightforward. Factors such as financial literacy, socio-economic background, and personal financial behaviors play crucial roles in determining financial outcomes. Studies have shown that financial literacy significantly impacts financial well-being among young adults, independent of their academic achievements. For example, research by Sabri (2011)¹ demonstrated that financial knowledge and behaviors are strong predictors of financial well-being among college students.

Moreover, socio-economic status and parental influence can affect both academic and financial success. Students from higher socio-economic backgrounds often have access to better educational resources and financial support, which can enhance their academic performance and financial stability. A study by White (1986) {Mentioned in the reference}² found a positive correlation between students' socio-economic status and their academic success, suggesting that economic factors can influence educational outcomes.

Understanding the distinctions and interplay between academic and financial success is essential for developing effective educational policies and personal development strategies. This review aims to explore the fundamental differences between these two forms of success, examine the factors influencing each, and analyze how they intersect in shaping individuals' overall well-being.

SIGNIFICANCE OF THE STUDY

Understanding the distinction between academic success and financial success is crucial in a rapidly evolving world where traditional educational pathways do not always guarantee financial prosperity. This study provides valuable insights into how these two forms of success are defined, measured, and influenced by various factors such as socio-economic background, financial literacy, and career choices.

By examining the relationship between education and economic outcomes, this study helps educators, policymakers, and students to make informed decisions about the role of academics in financial well-being. It highlights the need for integrating practical financial education into academic curricula to bridge the gap between theoretical knowledge and real-world financial competence.

Furthermore, this study contributes to the ongoing discourse on career planning and personal development by challenging the conventional notion that academic excellence alone leads to financial success. It encourages a broader perspective on success, emphasizing skill development, entrepreneurial thinking, and financial management as key components of long-term stability and growth.

Ultimately, this research aims to empower individuals with a more holistic understanding of success, enabling them to navigate both academic and financial challenges effectively and achieve a well-rounded, fulfilling life.

Examples of some financially established people who proved formal education do not matter

There are so many people like this but for this article, I specially focus some world-renowned people who proved that formal education can not be a barrier to become financially rich. Same respect is given to all other people who are passengers of the same boat.

- **Ritesh Agarwal:** Founder and CEO of OYO Rooms, Ritesh Agarwal dropped out of college in Delhi to become an entrepreneur.
- **Nikhil Kamath:** Co-founder of Zerodha, Nikhil Kamath left school in class 10 and joined a call center before venturing into stock trading and eventually establishing Zerodha.
- **Rahul Yadav:** Co-founder of Housing.com, Rahul Yadav dropped out of IIT Bombay before completing his degree to start the real estate search portal.
- **Azhar Iqbal:** Co-founder and CEO of InShorts, Azhar Iqbal dropped out of IIT-Delhi after three years of studying mathematics and computer science to start InShorts.
- **Mahesh Murthy:** A unique personality with a great mindset, Mahesh Murthy

- dropped out of Osmania University to sell vacuum cleaners. He later wrote for Unilever, Pepsi, and MTV, among others.
- **Varun Shoor:** After dropping out of college, Varun Shoor founded Kayako in 2001 at the age of 17, with its first office in Jalandhar.
 - **Ayush Jaiswal:** Ayush Jaiswal dropped out of college at 18 to start his own venture. After trying his hands with multiple ideas, he founded Pesto, an AI-based HR tech platform.
 - **Bhavin Turakhia:** Bhavin Turakhia, along with his brother Divyank Turakhia, dropped out of college to start their own venture. They built almost a dozen companies in their career, with Directi being their main company.
 - **Kailash Katkar:** Kailash Katkar dropped out of school after the 10th grade and started working as a calculator repair technician. He later founded Quick Heal Technologies, a leading IT security solutions provider in India.
 - **Steve Jobs:** Co-founder of Apple Inc., Steve Jobs dropped out of Reed College after one semester to pursue his passion for technology.
 - **Bill Gates:** Co-founder of Microsoft, Bill Gates left Harvard University to start Microsoft, becoming one of the world's wealthiest individuals.
 - **Mark Zuckerberg:** Co-founder and CEO of Facebook, Mark Zuckerberg dropped out of Harvard University to focus on developing the social media platform.
 - **Richard Branson:** Founder of the Virgin Group, Richard Branson struggled with dyslexia and left school at 16, building a diverse business empire.
 - **Michael Dell:** Founder of Dell Technologies, Michael Dell left the University of Texas at Austin at 19 to focus on his computer business.
 - **Larry Ellison:** Co-founder of Oracle Corporation, Larry Ellison dropped out of both the University of Illinois and the University of Chicago before starting Oracle.
 - **Evan Williams:** Co-founder of Twitter, Evan Williams left the University of Nebraska-Lincoln to pursue a career in information systems and later co-founded Twitter.
 - **Travis Kalanick:** Co-founder of Uber, Travis Kalanick dropped out of UCLA to work on his startup, which eventually led to the creation of Uber.
 - **Jan Koum:** Co-founder of WhatsApp, Jan Koum dropped out of San Jose State University to work at Yahoo before creating WhatsApp.
 - **Jack Dorsey:** Co-founder of Twitter and Square, Jack Dorsey dropped out of New York University before launching these successful companies.
 - **Ralph Lauren:** Fashion designer and founder of the Ralph Lauren Corporation, Ralph Lauren left Baruch College after two years to start his fashion empire.
 - **Ted Turner:** Founder of CNN, Ted Turner was expelled from Brown University before creating the first 24-hour news network.
 - **Sean Parker:** Co-founder of Napster and first president of Facebook, Sean Parker skipped college to pursue his entrepreneurial ventures.
 - **Brian Scudamore:** Founder of 1-800-GOT-JUNK? Brian Scudamore dropped out of high school and later university to focus on his junk removal business.
 - **David Karp:** Founder of Tumblr, David Karp dropped out of high school at 15 to focus on technology and entrepreneurship.
 - **Gautam Adani:** Indian billionaire industrialist and chairman of the Adani Group, Gautam Adani left college after the second year to pursue business opportunities.
 - **Mukesh Ambani:** Chairman and largest shareholder of Reliance Industries, Mukesh Ambani dropped out of Stanford University's MBA program to assist his father in building Reliance.
 - **Jack Ma:** Co-founder of Alibaba Group, Jack Ma faced numerous academic rejections and eventually left formal education to start his own ventures.
 - **Amancio Ortega:** Founder of Inditex fashion group, which includes Zara, Amancio Ortega left school at 14 to work as a delivery boy and assistant in a local shirtmaker's shop.

These individuals demonstrate that while formal education can provide valuable knowledge and skills, it is not the sole path to financial success. Their achievements underscore the importance of innovation, determination, and the ability to seize opportunities.

Discussion: Why the Indian Education System Fails to Generate Entrepreneurs?

The article highlights the fundamental distinction between academic success and financial success, showing that formal education does not necessarily lead to economic prosperity. The Indian education system, heavily focused on rote learning, theoretical knowledge, and exam-oriented assessments, fails to foster an entrepreneurial mindset, contributing to the country's unemployment crisis. Here are some key reasons why the Indian Education System does not produce large-scale Entrepreneurs:

Indian education emphasizes memorization and theoretical understanding over real-world applications. Unlike countries where entrepreneurship is encouraged through hands-on projects, business simulations, and startup incubators within universities, Indian students are rarely exposed to practical problem-solving.

Indian society values job security over risk-taking. From a young age, students are conditioned to aspire to stable jobs in government services, multinational corporations, or academia. Entrepreneurship, often seen as risky and uncertain, is discouraged, leading many students to shy away from innovation and business ventures.

The article emphasizes the importance of financial literacy in achieving economic success. However, financial education is largely absent from Indian school curricula, leaving students ill-equipped to manage money, investments, and business strategies essential skills for entrepreneurs.

The rigid structure of Indian education discourages cross-disciplinary learning, which is crucial for innovation. Successful entrepreneurs often combine knowledge from multiple fields technology, business, and social sciences to create groundbreaking solutions. Indian universities, with their rigid degree programs, fail to provide this flexibility.

Unlike in Silicon Valley, where universities like Stanford and MIT actively support startups, most Indian universities do not provide strong incubation centers, mentorship, or venture funding opportunities. Even top-tier institutions like IITs and IIMs produce entrepreneurs, but more through individual efforts than institutional support.

Entrepreneurship thrives on identifying problems and innovating solutions. The Indian education system, with its emphasis on textbook-based learning and pre-defined answers, does not encourage critical thinking, creativity, or independent decision-making which are key traits of successful entrepreneurs.

Many young Indians, especially from middle-class and lower-income backgrounds, face economic pressure to find stable employment rather than take entrepreneurial risks. Lack of access to funding, high interest rates, and bureaucratic hurdles further discourage students from venturing into startups.

This article lists several Indian entrepreneurs Ritesh Agarwal (OYO), Nikhil Kamath (Zerodha), Rahul Yadav (Housing.com), and others who succeeded despite dropping out of college. Their success stories highlight how the existing education system did not contribute to their entrepreneurial journey but rather acted as a constraint.

The Way Forward: How India Can Foster Entrepreneurship Through Education?

As an academic person, I think the Indian schooling and college system must include the following to make India as Entrepreneur hub.

1. Introduce Entrepreneurship & Financial Education in school and college curricula to equip students with real-world business skills.
2. Promote Experiential Learning through startup incubation centers, internships, and industry partnerships.
3. Encourage Risk-Taking by creating a cultural shift that normalizes failure and iterative learning.
4. Revamp Curriculum to focus on interdisciplinary learning, problem-solving, and creativity.

India has immense talent, but its education system must evolve to empower students to become job creators rather than job seekers.

CONCLUSION

In conclusion, I must add some of my insights. Though some part of this article is taken from different magazines, newspaper, and journal articles but I agree the same. Indian higher education frequently focuses on theoretical understanding, overlooking the practical skills needed for entrepreneurship. This method leads to graduates who are inadequately skilled for the job market's requirements, leading to elevated unemployment rates among degree holders³. The rapid expansion of higher education institutions without corresponding quality control has led to a proliferation of substandard colleges. Many graduates find themselves ill-equipped for available job opportunities, leading to underemployment or unemployment. Specifically in India, many private schools/universities are emerging year after year & nowadays, getting approval from UGC or CBSE is not so tough. The swift growth of higher education institutions without adequate quality oversight has increased to inferior colleges. Numerous graduates discover that they are unprepared for the job options accessible to them, resulting in either underemployment or unemployment. Recently, UGC has debarred three universities from Rajasthan to stop admission for their Ph.D program⁴. This proves how quantity reduces quality. Moreover, most of the middle-class parents do not motivate their kids to take risks and start a business. This societal mindset limits the pursuit of innovative business opportunities, perpetuating unemployment⁵. Numerous educational institutions in India do not have the necessary infrastructure to foster entrepreneurial initiatives, including incubators and mentorship programs.⁶ This shortcoming inhibits students' capacity to convert concepts into successful enterprises. Complicated labor regulations and insufficient investment in skill training hinder entrepreneurship. These elements lead to a disparity between the abilities held by graduates and those required by the market, worsening unemployment⁷. Tackling these issues necessitates a thorough reform of the Indian education system to incorporate hands-on skill training, quality assurance measures, cultural changes that prioritize entrepreneurship, institutional support frameworks, and policy advancements. These changes are crucial for nurturing a generation of entrepreneurs who

can reduce unemployment and stimulate economic growth. Moreover, India graduates millions annually, yet a considerable number face challenges in securing appropriate jobs.^{8,9} This paradox where well-educated people find themselves unemployed or underemployed has caused significant frustration among young workers. A key reason for this problem is the discrepancy between educational standards and industry demands. The Indian education system mainly emphasizes theoretical knowledge over practical skills. Consequently, numerous graduates do not possess the practical experience and technical skills that employers seek. Even graduates from esteemed colleges frequently discover that their diplomas do not ensure high-paying employment.¹⁰ A significant hurdle is intense rivalry and scarce employment options. Due to an excess of graduates in areas such as engineering, management, and science, finding a reliable job has grown more challenging. Government positions, once viewed as a stable career option, now offer few openings and have rigorous selection procedures, causing frustration among numerous hopeful candidates. Additionally, inadequate pay and employment instability lead to discontent. Numerous highly skilled individuals are compelled to take low-paying jobs that do not correspond with their qualifications. Some look for prospects overseas, resulting in brain drain. Tackling this crisis necessitates educational changes, skills-oriented training, and improved employment policies to guarantee that India's skilled workforce is not squandered. If we care about this, the gap between academic success and financial success will automatically reduce. Academics must not be a cause of frustration. This is a straightforward thought of mine. Thanks for your valuable time to read this article.

REFERENCES

1. Sabri MF. Pathways to financial success: Determinants of financial literacy and financial well-being among young adults. Iowa State University; 2011.
2. Raza S, Hameed M, Abbas N, Rizvi SW, Sarfaraz A. The dynamic interplay of socioeconomic factors in educational attainment: a holistic analysis of socioeconomic status and academic success. *Int J Learn Divers Identities*. 2023;30(2):204-13.

3. Emont J. Big Dreams Built on Higher Education Sour Worldwide for Jobless Graduates. Wall Street Journal. 2024 Oct.
 4. Maurya S. UGC bars 3 Raj universities from enrolling PhD students for 5 yrs. Hindustan Times. 2025 Jan.
 5. Jain R, Ali SW. A review of facilitators, barriers and gateways to entrepreneurship: directions for future research. South Asian Journal of Management. 2013 Jul 1;20(3):122.
 6. Agarwal P. Higher education in India: The need for change. Working paper; 2006.
 7. R John, Singh J, Kay C. India's economic mismatch: not enough jobs and not enough workers. Financial Times. 2024 Oct.
 8. Jiggesh M A. 22% students in IIT Delhi did not find a job in last five years, says records. The Hindu. 2024 Apr.
 9. Khetrpal S. No jobs for new IITians. India Today. 2024 Jun.
 10. Placement crisis at IITs? 8,000 students yet to find jobs, alumni network gets SOS. Business Today. 2024 May.
-