

Importance of business math in mba studies flashcard



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Why Business Mathematics? Mathematics was always essential in analyzing markets, production systems and business operation in general. The quantification of business activities than intensified in the beginning of the 20th century, took explosive proportions in the 70's and contributed to the reformulation of whole fields such as banking and finance.

Several experts state that it was the intensely mathematical research of Sharpe, Black, Scholes, Merton as well as the earlier work of Von Neumann, Danzig, Bellman, Blackwell to mention just a few that contributed to the widespread adoption of derivative products, risk management techniques and the increases in production efficiency that have resulted. The expansion of computing power also contributed to the expanded use of quantitative methodology, as it allowed both the data collection and its advanced processing.

What are the goals of a such a specialized graduate studies program? Those aspiring to actively participate in modern developments in finance, logistics, production to mention just a few areas, need to have a firm grasp of the quantitative techniques. The program in Business Mathematics provides a first step towards such an understanding. The Program aims to prepare individuals who will follow a a career applying mathematics in real world problems, and not in research establishments.

This is not to say that a career in research is precluded for our students - on the contrary. But the emphasis is not on mathematical depth but in a thorough exposition of important applications of quantitative techniques in everyday business. It is not easy to combine the rigour of mathematics with

the imagination required in business studies. Thus our students are in a constant pressure during their studies, just like MBA students are reputed to be. It seems though that this feature is deeply appreciated by the alumni of the program.