



Learning the MBA business



Completing an MBA is hard work, but there are many benefits, writes Grainne Fallor

In this business-oriented world of ours, it is hardly surprising that graduates of a Masters in Business Administration (MBA) are very much in demand. It's the most popular business postgraduate qualification in the world and 6,500 of Ireland's chief executives, senior managers and entrepreneurs hold the qualification. Added to that, a quarter of MBA graduates in 2006 were earning between €100,000 and €150,000 per annum.

New graduates may be smacking their lips at the prospect of doing the masters and pole-vaulting into the big time but unfortunately for them, that's not how it works. MBA candidates are very carefully selected and for those doing the selecting, work experience is everything.

There are two types of MBA. An executive MBA is a part-time degree, done over two years. People doing this are often working at the same time. A full-time MBA is an intense year-long course. The age profile in full-time study tends to be younger, but experience in the workplace is desirable in both cases.

The aim of an MBA is to fast-track a career, or indeed to provide someone with the wherewithal to change careers. Candidates study areas such as finance, law, marketing and human resource management to name but a few.

Academic subjects are just one

area though as much of the learning on an MBA comes from class interaction.

Dr James Cunningham, course co-ordinator of the executive MBA in NUI Galway, explains: "I think learning in an MBA programme takes place on a number of different levels. "You have the material delivered in the course, then there's the peer-to-peer learning when you may have a chief executive and an engineering manager working together on a problem, for example. There's the group work and of course the independent reading and learning that takes place outside of all that."

So what do the colleges look for? Nick Barniville, MBA programme director in the UCD Michael Smurfit School for Business says: "When we're looking for candidates for the MBA, we look for people with enough experience to add to the class."

Naturally, a high academic standard is essential. "We don't want to take people who are unlikely to succeed," says Barniville. "The GMAT is a good indicator of how a candidate is likely to do in the course."

The GMAT or the Graduate Management Admission Test is an international standardised test which measures verbal and mathematical ability. It's often one of the admission requirements for an MBA programme.

Candidates can be very varied and from a wide range of backgrounds. Denis McCarthy is chief executive of the MBA Association of Ireland. He notes the changing profile of MBA candidates. "In the past, MBAs were mainly undertaken by the management stream from large organisations," he says. "Now the mix tends to be broader and includes public sector, owner-managers, and managers from the SME sector also."

While a business background is not necessary, it can help. McCarthy says: "I think some experience of organisational life makes the course content of an MBA more relevant and more resonant. The knowledge acquired in the classroom can be applied to real business scenarios - and

vice versa."

Candidates are expected to have a clear idea of what they hope the MBA will do for their careers. "We want people who are committed," says Cunningham. "They need to have thought clearly about where this MBA is going to fit into their career."

Barniville adds: "We want someone with realistic expectations as to what the programme will do for them. If we feel we can't satisfy their expectations, we'd rather they didn't come."

An MBA is not to be taken lightly. It is a big commitment in every sense. For those doing full-time programmes, the huge drop in income must be considered. It's also a year of intense study that will infringe on weekends and holidays.

The executive MBA means a commitment over two years. Studying at weekends and doing extra project and course work can be very taxing for someone who is working a full week as well. Financially it doesn't come cheap either, and people can expect to pay up to €20,000 for an MBA course in Ireland.

But of course if the benefits didn't exist, the qualification wouldn't be as popular as it is. An MBA is an indication that a person has an enhanced set of skills, but also has a view of the bigger business picture as far as a company is concerned.

"We prepare people to be more strategic in their thinking, be it when it comes to business plans, marketing or contacts," says Cunningham. Companies want these skills and they do seem willing to pay.

The MBA Association of Ireland conducted a survey of its members and found that within two years of completing an MBA, over half of respondents had changed position within their jobs and 36 per cent had achieved a significant promotion. Salaries have been found to increase by 20 to 50 per cent within the first two years as well.

Potential applicants should consider their options carefully and research the courses available. According to McCarthy, there are a number of interna-

tional trends emerging in this knowledge society of ours. There are, for example, more MBAs than ever before. Some of these are specific to certain sectors and there is more and more of an emphasis on entrepreneurship and international dimensions.

“We’ll see a lot more civil servants on MBA programmes in the future,” he says. “The public sector will be keen to retain and train its top talent to prevent them from going elsewhere.”

Costly in both time and money, an MBA qualification is not a commitment that should be assumed without careful consideration. It is, however, an investment and for those who make the commitment and fully engage with the programme, the rewards can be well worth the trouble.

● See www.mbaassociation.ie for information about the MBA Association of Ireland