

TO MBA OR NOT TO MBA

An MBA is one of the most sought-after qualifications in the business world, but is it the right choice for everyone?

Patrick Freyne reports

A MASTER'S degree in business administration or MBA has become one of the more sought-after qualifications in the business world. And little wonder when you see the statistics in its favour.

According to a recent report from Amárach and the MBA Association, 70pc of MBA graduates enjoyed salary increases within two years of graduation, 36pc achieved significant promotion and in 2006, one in four earned €100k-€150k. In total, 6,500 CEOs, senior managers and entrepreneurs hold an MBA qualification in Ireland.

"No doubt about it, the MBA helps people get to where they want to be and they're coming to us because they recognise that," says Elaine McAree, admissions manager of the MBA course at University College Dublin (UCD) Michael Smurfit School of Business.

It all seems pretty impressive. But some people are a bit more sceptical about the appeal of the ubiquitous MBA. "I think that if you go to the larger hubs such as London and New York, a well-recognised MBA could be an advantage in terms of your application," says John Deely of Pinpoint Occupational Psychologists. "But to be honest, I'm not sure that it has the same currency in the Irish market."

Deely believes that, although MBA courses are generally very well-run, some people are attracted to the prestige of the qualification when they might actually be better served doing something else.

"One reason people do a course like this is in order to change their career in some shape or form," he says. "Based on the experience of clients I've had, I think that's a

flawed approach. An MBA is a very expensive and ineffective career-change mechanism. It can be very valuable if you know what you want. But if you haven't figured out your career plan, it's not necessarily going to figure it out for you. I see a lot of people who do the MBA and enjoy it. They enjoy the interaction with their peers. They enjoy the lectures. They enjoy the learning. But they end up with an expensive qualification and a significant lack of clarity about where they should be going."

An MBA is indeed a very large commitment of time and money. Most people take the part-time approach, but this adds the extra pressure of juggling academia with a full-time career. McAree believes that people are usually at a particular point in their career when they decide to undertake that commitment.

"A typical profile doesn't exist," she says. "We've had doctors and nurses, health managers, gardaí, people from engineering and IT backgrounds, people working in marketing or customer service and people from traditional business backgrounds. Many are from a specialist area and suddenly they find that their career has got more business-focused. Maybe they've been promoted to management level. They're now managing staff or a budget and they want to develop those skillsets."

Deely worries, however, about people who assume that an MBA is an automatic next step on the corporate ladder. In particular he thinks that specialists should think hard about whether general management is for them. "There is a trend of people saying 'maybe I should do an MBA' because they are at a crossroads," says

Deely. "I would have a significant concern about people throwing out that feeling without thinking through the level of commitment, money and effort. For example, if you're a marketing person at heart, very ambitious and feel you need something to catapult your career to the next level, maybe you'd be better off doing an MBS in marketing."

Denis McCarthy, CEO of the MBA Association of Ireland, agrees that people shouldn't pursue an MBA if they are not interested in general management or leadership, but he is sceptical as to whether many people fall into that category. "Apathy is a poor reason to take any course of study and people who are unfocused and half-hearted are unlikely to benefit," he says. "I don't think that many people who've done MBAs are in that situation. My experience would be that because of the time and the cost, most people would think long and hard before they do it and the colleges would be very strong about screening such people."

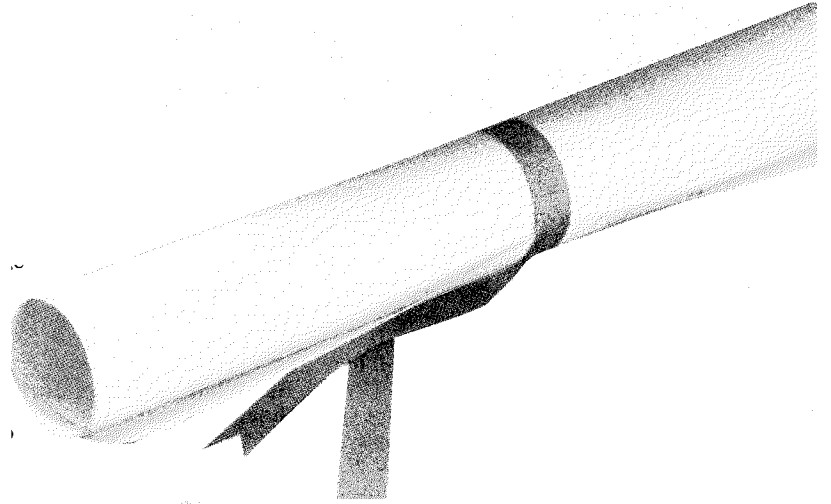
Deely also feels that the simple acronym 'MBA' often blinds people to the fact that not all MBAs are equal. He encourages people to do the research before signing up. See who has done the course and what they're doing now and look carefully at the specific curriculum. Two Irish universities have MBAs in the Financial Times Top 100 — UCD and Trinity College Dublin.

The research might also point you back to some of the favourable statistics mentioned at the start of this article, for example, that one in four MBA graduates earned €100k or more in 2006. Deely doesn't dispute such claims, but he does question what they mean.

"There is a certain category of peo-

ple who do MBAs," he says. "They're graduates, they're professional and they're usually already operating in business. They have a certain aptitude because you have to get to a certain level to even be accepted. You're going to attract a certain proportion of high achievers to any course like that. So you do have to ask whether they would have got to those higher-paid jobs anyway."

So an MBA is for people who really want to be business managers and leaders. It won't provide a career plan and it's not for everyone. It's a master's degree in business administration, not a silver bullet for career confusion.



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