



A MATTER OF COURSE

As MBA courses become more popular, how do the benefits for small business owners stack up?



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A RECENT survey by the 'Financial Times' indicated that Trinity College's MBA course is now rated as the 70th best of its kind in the world. Between the earning power of its graduates and value for money, the Trinity course has raced ahead of its main rival, UCD, in terms of the international rating.

Recent years have seen the number of people taking MBAs increase substantially, with the amount of institutions offering the courses also rising as a result.

However, the benefits for small business owners are less than clear-cut, with some commentators saying the skills learned are more appropriate to a larger corporate organisation.

Director general of the MBA Association of Ireland Denis McCarthy said that the group's membership has risen from 400 a few years ago to 2,000 – this is mostly made up of new graduates.

Typically, courses are divided into one-year full-

time or two-year part-time lengths, with a typical cost somewhere in the region of €15,000. The number of courses has now grown to 11 around the country.

Increasingly, the trend is changing where owner-managers start taking the qualification, said Mr McCarthy.

"In the past, members were in the corporate sector – but that has changed as owner-managers come into the courses looking for the skill sets to develop the business to its maximum potential," he said. "Generally, the programme providers look for people who come with five years' post-graduate management experience and that in addition to formal learning they also have business experience.

"In terms of the learning experience, the group situation is hugely important. Approaching a problem and making a collective decision is one of the greatest learning experiences, so the more you can bring to the learning experience, the better.

"In the US, you have people progressing to the MBA after their undergraduate degree. With the five years' experience, after an MBA, you can adopt an academically enlightened view on a practical business situation."

However, Mr McCarthy says that for a potential start-up owner, taking the MBA would be too time-consuming based on the hours needed to put into

study. A general guide is that for every one hour of lectures, two hours of study need to be done. "One of the prerequisites in the MBA is having a fair amount of time to invest and also for study purposes," he said. "If you got beyond the start-up situation, it is at that point that the timing is critical when you are looking at bringing the business to the next level, it would be more timely."

When the company is set up sufficiently to allow for the study, or even prior to set-up, is a more appropriate time, he said.

"It introduces you to general management, every aspect of management which is needed for success in the business," said Mr McCarthy.

"There is a certain amount of theory but the practical application of that is hugely important, so hence the focus on case studies."

Prior to setting up the company, the option exists to use the enterprise idea as the basis for study.

Assistant chief executive of the Dublin City Enterprise Board Eibhlin Curley said the high cost, both financial and time, of doing the MBA means that many entrepreneurs are prevented from taking one. However, alternatives which may fit in better with the needs of small companies exist in terms of training, she said.

"The demand for training by entrepreneurs and owner-managers of SMEs tends to require practical skills," said Ms Curley. "Short courses and half-day workshops on specific topics such as health and safety or winning tenders and selling skills, training on a need-to-know basis are in high demand."

"Start your Own Business' courses cover the practical and basic issues such as registering a business name, tax returns and making a sales

pitch. The aim of the training is to assist entrepreneurs get started in business and develop a business plan and financial projections. In small businesses, fundamental operational tasks need to be combined with strategic growth plans.

"The county and city enterprise board PLATO network is a two-year management development programme aimed at owner-managers of businesses with 3-80 employees and which are over two years in business."

Where to do the MBA in Ireland

- Executive MBA programme at University College Cork.
- EMBA programme at NUI Galway.
- MBA Programme at UCD Michael Smurfit School of Business.
- Corporate MBA Programme at the University

of Limerick.

- Trinity College MBA Programme.
- Part-time Executive MBA at Queen's University.
- MBA Course at DCU.
- MBA at the University of Ulster.
- MBA at Dublin Institute of Technology.
- MBA at Dundalk Institute of Technology.
- MBA at Athlone Institute of Technology.



Andrew Harbourne Thomas of the MBA Association (left), with Margaret Hearty of InterTradelreland and Ulrik Bagge Hansen, founder of Chill Baby Foods (See Case study on facing page)