

Eye on Business Education



MBA: time to defy the downturn?

Global financial crises notwithstanding, many senior managers and CEOs resoundingly endorse the investment value of a Masters in Business Administration (MBA) qualification, according to a recent survey conducted by Amarach for the MBA Association of Ireland (MBAAI).



Greg Devlin, President of the MBA Association of Ireland.

And in a recession, the bonus is a vibrant network that helps you get more business, a new job, or maybe an old job back. So what do those three little letters offer prospective MBA students in Northern Ireland in a recession? Anna Mooney finds out...

The current economic gloom, job cuts, hiring freezes, paycheque uncertainty. It wouldn't seem to be the ideal environment for committing time and money to a big ticket business course that won't yield immediate results for a couple of years. In fact it might seem like a luxury.

Yet Amarach Consulting's late 08 survey of MBA (Masters in Business Administration) graduates in Ireland has shown that the business study experience has been so rewarding that most (80%) would undertake to fund the double digit course fees from their own pocket.

The finding reaffirms the prevailing wisdom that recessions can be the times when an MBA can be an advantage, giving individuals an edge in the hiring market, and providing them with a valuable network that can help them find jobs, sales leads, business support and new skills

Return on Investment

The Amarach survey confirmed many widely held assumptions about MBA study – that the achievement of the qualification is often a catalyst for career change and professional growth. Of those surveyed, under half had enjoyed promotion, and 39% had a change of position or employer.

MBA study also showed good return on investment – over 55% of MBA holders experienced a salary increase of 20% or more in the two years following graduation, and 14% experienced a salary hike of over 50%.

MBA confers advantage in a tight employment market

Such positive feedback, in the midst of an economic downturn, augers well for MBA courses. While some companies and individuals may think long and hard about investing time and money during uncertain economic times, the finishing schools of management education could well experience a counter-cyclical trend, according to the MBA Association of Ireland. It predicts that managers, senior executives and CEOs will seek a competitive advantage in a tougher business environment or tightening job market.

Eight out of ten MBA holders surveyed confirmed that in their experience, an MBA confers an advantage in the recruitment process and was a definite differentiator in the employment market.

The network effect in a recession

"The real added value of an MBA course lies in two elements: the personal skills development and the diverse network that comes with the territory," explains Greg

Devlin, Belfast based President of the MBA Association of Ireland.

"Most people are aware that an MBA course delivers a strong suite of business skills to managers, with disciplines ranging from international business to corporate finance," he explains.

"But it is the non-curriculum skills that often count most. Almost all MBA graduates develop leadership capabilities, sharpen analytical and problem solving skills and report more confident decision making and execution". It is beyond the classroom where MBAs find the unexpected bonus – the automatic network that comes with membership of an MBA class or graduate body like the MBA Association.

"MBAs acquire a very valuable and diverse network, one that lasts well beyond graduation, often for life" explains Greg Devlin "That is good for business and for individuals at any time, but is especially valuable in an economic downturn where access to the right connections, a timely introduction or simply good advice from within an influential network can often trump the competition."

Campus Camaraderie

The MBA Association of Ireland had its origins in exactly the kind of campus camaraderie and collaboration that comes with the MBA territory. Formed forty one years ago, it has over 2000 MBA-holding members from almost every leading organisation in Ireland, an influential network of CEOs, managers and entrepreneurs. Notable alumni include MBAs and Honorary Life members President McAleese, Denis O'Brien, Sir Anthony O'Reilly, Sir George Quigley, Denis Brosnan and Martin Naughton. The Association has hosted many international conferences and Management Update courses to keep its members up to speed with the latest developments in international management thinking and practice.

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www.mbaassociation.com
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