The M.B.A.: A Schizophrenic Graduate Program?

Shelley M. Rinehart, (E-mail: rinehart@unbsj.ca), UNB Saint John, Canada

Bachelors Degrees in business studies range from the more common Bachelor of Business Administration and Bachelor of Commerce degrees to the less familiar Bachelor of Science in Management and Bachelor of Information Science degrees. The different degrees are perceived to have different areas of emphasis and to produce graduates with unique skill sets and competencies, some with more management and people based skills and others more focused on the quantitative and financial areas. Typically program structures and entrance requirements reflect the differences in program focus.

Unlike the Bachelors programs, the term “M.B.A.” is globally recognized as referring to a Masters of Business Administration Program, a degree historically perceived as a graduate’s ticket to employment opportunities, generous salaries and the business savvy that garners respect across industries. Recently, however, the value of an M.B.A. has come under fire from many directions, including well respected management guru Henry Mintzberg. The question is - Why?

Perhaps with the plethora of delivery models and program types that have evolved over the years, the term “M.B.A.” has become so nebulous that the degree itself is no longer understood. The purpose of this paper is to examine the M.B.A. program from an adult education perspective, reflecting critically on the evolution of program structure and entrance requirements and the match that exists, or not, between the two. Is it possible that in our quest to fill seats in programs we have ignored the need to create meaningful and relevant learning environments and as a result diluted the value of the degree for our students?

Unlike other masters level programs which are an extension of a previous degree (Cooksey 1994), the M.B.A. degree has often been referred to as the “switching” degree, a degree meant for people from disciplines other than business who required training in basic business, leadership and managerial skills to advance their careers. As defined by the United Network of Help with Masters of Business Administration (2006a), an M.B.A. provides the student with business knowledge, leadership abilities and a network of colleagues and associates. It is a degree meant to build on past learning, both formal and informal in nature, advancing the student to a new level of understanding of the environment in which they live and work. For many, the M.B.A. is the degree they obtain to facilitate a change of careers (2003).

According to Nesbitt, Leach and Foley (2006) “adults learn best when they are actively engaged in learning experiences and when the curriculum builds on their life experiences and interests” (p. 91). Gonczi (2006) concurs stating that a more relevant learning paradigm is one where the learner is able to link learning and environment. This approach is also supported by Kolb’s Experiential Learning Cycle (2004) which asserts that the learning cycle moves a learner from experience through reflection and testing to redefine experience for that individual. If this is the process followed in an M.B.A. program then it is arguable that for business, leadership and networking learning to take place on should have a foundation of experience, both formal and informal, upon which to build.

It is not surprising then that of 30 Canadian MBA programs surveyed, in addition to a Bachelor degree, acceptable performance on the Graduate Management Admissions Test (GMAT) and letters of reference, 23 schools required at least 2 years of work experience for admission to the program. For many schools, including top ranked University of Chicago, the definition of what constitutes work experience can vary (2006b). The same trend toward stating work experience as one of the requisite admission criteria can also be seen for European programs where, in some cases, it is further specified that the work experience must be at a managerial level in order to count for

admission to a program. In fact, in some European schools significant work experience may negate the need to hold an undergraduate degree.

But is work prior work experience a good predictor of success in an M.B.A. program? The opinions are mixed. A study by Braunstein (2002) found that undergraduate grade point average (UGPA) and GMAT were the best predictors of academic success in M.B.A. programs. Interestingly, the two constructs were not found to be related in this study suggesting each on their own is a good predictor of future success. Results of other research support the relationship between UGPA (Yang & Lu 2001, Paolillo 1982, Ahmadi, Raiszadeh & Helms 1997, Deckro & Woundenburg 1977) or GMAT (Arnold 1996) and success in M.B.A. programs actually identifying either of them as the most significant predictor in their models.

Braunstein (2006) found that work experience was not important to success in M.B.A. programs for students coming from business undergraduate degrees, however it did take on statistical significance for those students coming from a non-business undergraduate degree. Carver & King (1994) found the best model to predict M.B.A. success included GMAT, UGPA and work experience as variables. However, GMAT was found to be the best lone predictor of success, work alone was not found to be a good predictor.

Braunstein (2002) found work experience to be a significant predictor of success only if the candidate reported more than five years of continuous employment. However, another study by Dreher & Ryan (2002) did not find any relationship between years of experience and program performance or satisfaction regardless of the duration. Interestingly, a study by Adams and Hancock (2002) suggests that there may be a difference in work experience gained prior to and post undergraduate study, with post degree experience showing a marginally stronger relationship.

Many have also found that age, which could be used as an indicator of prior experience, is not a significant predictor of success (Braunstein 2002, Adams & Hancock 2000, Dekro 1977). Carver & King (1994) question the metrics related to work experience suggesting that it is often measured in terms of months employed as opposed to the quality of the experience. Fisher (1990) concludes that work experience lacks validity as a predictor of success in an M.B.A. program and as a result should not be used as part of admission assessment.

But why is work experience not a good predictor of success in M.B.A. programs? Is it because we have not settled on a valid and reliable measure or is it because the programs we deliver do not embrace the paradigms most suitable for adult learners, paradigms that allow for reflection and experimentation and that build on previous experience? Mintzberg (2006) would say it is for the latter reason. He believes that M.B.A.s are too focused on the “science of management” to the exclusion of technique or the “art of management”.

While some schools like Darden and INSEAD have embraced the need to develop leadership (Binedell 2006, Neher 2006) and focus on the creation of learning networks (Edward 2006) others have responded to a tightening market by altering program formats and entrance requirements to attract students. Delivery models that began in North America as typical two year programs are changing to embrace condensed and intensive formats of 12 to 14 months in duration and executive style offerings promoting delivery via distance and on weekends. The question is: has program content and structure changed as well?

Demographic and social trends have negatively impacted the M.B.A. applicant pool (Miller 2006). Although trends this year appear to be on the upswing, for several years applications, particularly domestic applications, have been down (2006d). Schools, even top-ranked schools, are relaxing admission standards to attract students. In many cases admission requirements for Executive M.B.A.s are no different from traditional M.B.A. requirements. The same is true of their content, all that differs is the delivery in many cases (Gloeckler 2005).

If we reflect back to Kolb’s (2004) model of adult learning, one would predict with certainty that previous work experience would have a definite impact on both performance and satisfaction in M.B.A. programs. By the very nature of the degree one would expect that to fully understand the art or craft of management, a combination of theoretical instruction combined with experience would be essential for learning to occur. The fact that the majority

of research finds no relationship suggests to the author that rather than a degree focused on developing breadth and depth of leadership skills, adaptability and connectedness, the current M.B.A. programs perform simply as an extension of the undergraduate program, providing a bit more strategic focus perhaps but employing tools and techniques common to the undergraduate classroom environment.

Of the 30 Canadian schools surveyed, half of the programs were one year in duration. All of the European schools followed the one year format. Only a few indicated different entrance requirements for those with bachelors degrees in business. There was virtually no distinction in entrance requirements related to the length of program of study. Some researchers believe that we are establishing artificial barriers to entry into our M.B.A. programs (Dreher 2002) that are inadequate as predictors of program success (Deckro & Woundenburg 1977) and may establish false expectations for entering students (Mintzberg 2006).

Yang & Lu (2001) believe that “management educators should pay more attention to the learning contexts that determine learning. Admission decisions should be made incorporating other criteria (p. 18). Mintzberg (2006) agrees. He asserts that managers can not be trained in a class room and by utilizing undergraduate teaching methods in M.B.A. programs we are creating a “false impression that students are being trained as managers”. Like Kolb (2004), Mintzberg (2006) believes that a successful M.B.A. graduate and future leader requires a “thoughtful classroom” which allows them to learn from experience.

In the race to fill seats have we sacrificed the value of the M.B.A.? Do our admission standards match the structure and content of our programs? Based on this review of the literature the author would suggest that a match does not exist. Where perhaps distinct programs once existed, it would appear that a blurring of the lines has occurred. If prior experience is not a good predictor of success, the author believes the next question to be investigated is “how is success measured”? If we continue to use traditional metrics like tests and exams then it should not surprise us that prior experience is not a good predictor. How do these metrics relate back to admission criteria? If we want to embrace Kolb’s (2004) model of adult learning what types of success metrics should be employed? What type of learning environment must be created? What admission criteria should be employed to ensure a proper fit between student and learning environment? If work experience is one of those criteria, and the author believes that it should be, more research is needed to develop an operational definition of what constitutes relevant work experience.

It is interesting that research into this area is so sporadic given the perceived importance of M.B.A. programs in society and academe. Perhaps perspectives like those advanced by Mintzberg will give academic institutions pause and encourage them to engage in Kolb’s learning cycle themselves, studying their experience, testing alternatives and creating a new experience. An assessment of the current environment is likely to show a need to engage different learning paradigms depending on the student audience. Given the difference in learners’ needs, the definition of appropriate entrance requirements, the use of relevant learning models and the development of related program structures become paramount to student success. Perhaps the M.B.A. isn’t so schizophrenic after all, just a little delusional.

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