

Jobless turning to business schools to bolster résumés

BY MARILYN BOWDEN

Economic troubles have a way of driving people to business schools for graduate degrees as a hedge against unemployment, and today is no different, administrators of local business colleges say.

“Business schools have a tendency to be counter-cyclical to the economy,” said Jeffrey A. Mello, a Barry University professor who just stepped down as interim dean of Barry’s Andreas School of Business. “It seems logical that someone who has been laid off doesn’t have money for school, but many use the opportunity to brush up on skills.”

“In some strange way the value of a degree increases in a down economy because that is what is going to differentiate people in the future, and they will have more options,” said Anuj Mehrotra, University of Miami vice dean for graduate business programs.

“Our enrollments have been pretty strong; we’re pretty much at the same levels as we were last year,” said Luis Casas, director of marketing, communications & recruiting at Florida International University’s College of Business Administration.

“There’s been increased in-



Photo by Marlene Quaroni

Enrollment has remained steady at FIU’s College of Business Administration despite a down economy, according to Luis Casas.

terest. We’re fielding a lot of inquiries, probably the result of people who have either been laid off and are considering what they will do now or are still in the workforce but might be seeing the handwriting on wall.”

The decision to seek an MBA isn’t an impulse thing, he said. “People struggle with it, and there are different triggers for different people. Some of these events might be personal; it might be something like a relative gets laid off and they think maybe they should be better prepared.”

But increased interest hasn’t correspondingly increased applications, Mr. Casas said.

“My interpretation is that people are thinking about it but not necessarily acting on it, either because they may have financial limitations or they find out they’re not qualified.”

Enrollment in UM’s Executive MBA programs – which allow students to continue working while attending night or weekend classes – is holding steady, Mr. Mehrotra said, though applications for the full-time program are down 5%-10%.

“The interest level for our January Executive MBA program was actually healthier than last year,” he said. “That may have to do with programmatic changes we made that allow students to customize the curriculum. The July program was of the same order as last year.”

He speculated that one reason the Executive MBA program is faring better than the full-time program is that, from the students’ perspective, the Executive program is part time.

“There is some element involved of people not wanting to take the risk of leaving a job,” he said. “At the same time, they are eager to improve their skill set, or hone it with the idea that they may change careers when the economy changes.”

But the financial difficulties of underwriting further education in hard times are intensified, Mr. Mehrotra said, because many companies have reduced the support they will provide for employees seeking advanced degrees.

Deposits for undergraduate study for the fall semester at Barry’s Andreas School of Business are down 20%, Mr. Mello said, and graduate school applications have fallen off even more sharply – but this is an anomaly that probably has little to do with the economy.

“In the past year, 40% of our full-time faculty left,” he said, “because of fears that our accreditation is in jeopardy. The senior administration doesn’t seem focused on the needs of the business school.”

“Business schools are cash cows, but they’re an investment that has to be nurtured. Our main competitors, Nova Southeastern University and FIU, have brand-new facilities, and Johnson & Wales University is working towards accreditation of a business degree.”

Business school enrollment goes in cycles, said incoming Barry business Dean Tomislav Mandakovic. He said he doesn’t have a breakdown of undergraduate and graduate figures, but “overall, I think the numbers are slightly up. It’s a known fact that when the economy is in bad shape, business schools do a great business.”

Faculty rotation is endemic, Mr. Mandakovic said, “because today the only way you can get a significant raise is if you go from one institution to the next. In a way it’s a compliment, because it shows that other schools are very interested in our faculty.”

He said Barry’s main draw is its philosophy of small class sizes and greater individual interaction.