Back to School

With executive MBA costs running as high as $100,000 (although $30,000 is more typical for a local program), what makes this degree so valuable, especially for high-level executives whose careers are already on the fast track?

BY ROCHELLE BRODER-SINGER

When he was starting a Mexico office for The Center Group, a multinational management consultancy, Claudio Cury ran into a number of problems. So Cury, the company’s regional manager for North American operations, turned to an experienced global support team; his classmates from Florida International University’s Global Executive MBA program.

“We are so focused in our companies that we don’t know that the same thing is happening to other companies,” Cury says. Learning from other managers’ experiences is one of the central principles of any executive MBA, just as important as the cases studied in class. “You’re not only buying the degree that you’re getting at the end, but you’re really getting a network,” Cury says. “Then you realize that it was a cheap investment.”

For starters, an MBA offers exposure to technical management concepts. Ricky Arriola, president of marketing firm Inktel Direct, already had a law degree and a bachelor’s in economics when he decided to go to Harvard for a traditional MBA. “The exposure to broad-ranging managerial disciplines … was a very valuable way to get a lot of knowledge in a very short amount of time,” he says.

Executive MBA classes, like this one at Florida International University (above, left), are typically small (around 10 students), and always highly interactive. The Roz and Cal Kovens Conference Center in North Miami (above, right) provides an idyllic setting for FIU’s Executive MBA program.
Steve Sonenreich, CEO of Mount Sinai Medical Center & Miami Heart Institute, saw an executive MBA as a way to keep abreast of a fast-changing field. An administrator at Mount Sinai at the time, he completed the University of Miami Executive MBA With a Specialization in Health Administration and Policy. “Health care administration is one of the most complex areas of management that you’ll find in the business world [so] you’re constantly trying to educate yourself regarding the various changes,” he says.

Indeed, with the rate of change in business ever increasing, companies today place more value on executive education than they have in the past, says Dick Clark, COO of the Florida/Caribbean region for organizational consulting and executive coaching firm Right Management Consultants. “Leading a company today is different than it was 10 or 15 years ago, and it really requires a leader who is up to speed on change,” says Clark, whose firm works with nearly 450 of the Fortune 500 companies.

Executive education of any sort — whether an MBA or a shorter program — also broadens a manager’s knowledge beyond his or her own experience. Perry Long, a SunTrust vice president and portfolio manager who graduated from the University of Florida executive MBA program, says he often uses what he absorbed to help clients in other industries. “When people are talking about their business, I can relate to that based on what I’ve learned,” he says. He recounts that after finishing a class on manufacturing and production — two subjects that bankers rarely have occasion to deal with — he found himself at a client’s business, discussing throughput and other manufacturing topics. “The MBA will open a door into business deals,” says Long.

Another benefit has already been alluded to: fellow students. With minimum admissions requirements of eight to 12 years of work experience — at least five of them managerial — the network of minds that executives are exposed to is top-caliber. “They tend to be very savvy, from CEOs of mid-size companies, to vice presidents of bigger companies,” says Erik Gordon, director of MBA programs at the Warrington College of Business at the University of Florida. “These are people who have had a lot of responsibility running people and projects.”

Even 15 years later, says Sonenreich, he draws on the knowledge of his classmates. “It’s not infrequent when associates from that experience contact me, or I contact them as resources,” he says. Sonenreich also cites another, more intangible benefit of his degree: “Overall, acquiring knowledge builds an individual’s confidence in performing their responsibilities ... which I think is very important to being successful.”

It’s no longer just executives from large companies who are enrolling in executive programs these days. “We’re seeing a lot more entrepreneurs, people who have grown a business, and now the business is outgrowing their capacity,” says Dan Nagy, associate dean for admissions and recruiting at the Fuqua School of Business at Duke University. UF’s Gordon has seen the same trend. “Business has gotten really tough for the little companies, and they need to be a lot more sophisticated,” he says. “So, we get a lot more people from earlier stage and from smaller companies, where the need for ... sophisticated strategy is greater.”

That is contributing to an ever-younger executive MBA population. “The average age has gone down over the last 10 years, and that’s an indicator that people are not waiting as long,” says Aria Noczewski, University of Miami assistant dean of graduate programs. “I think that now, in order to be competitive in business, you need to have the MBA degree.”

Executive recruiter Bonnie Crabtree,
Technology plays a key role in executive education, whether Internet- or classroom-based. Nova Southeastern University offers executive MBAs in both formats, and will soon inaugurate a new building for its business school, next to the library (above) at its Davie campus.

Managing director of Korn/Ferry International's Florida office, says that although an MBA may not be a requirement for a position, it does get noticed on a resume. "Companies are looking for that advanced degree ... because they're looking for the skills that it brings," she says. "It helps people to start to think differently ... and to apply strategic thinking to practical situations."

Practical applications are a focus of most executive education curriculums. The seasoned executives who fill the classes expect knowledge they can use at work. "They want first and foremost for [the curriculum] to be up-to-date, current and relevant," says Steven Beste, director of executive MBA programs for Florida International University. "They want to have what's reported in The Wall Street Journal this week to be brought into the classroom next week."

To keep up with their demanding students, executive education faculty must be the best available. "Not all faculty want to teach in this program, and not all faculty are invited to teach in this program," says Harold W. Berkman, vice dean of graduate business programs at UM. "There's hundreds of years of experience [among the students] when you walk into that classroom, so you have to be state-of-the-art."

The Latest Trends

One of the big debates in the executive education community is whether distance-learning programs are as effective as in-person ones, especially for executive MBAs. UM no longer offers distance programs. Berkman says that's because "there is a synergy that occurs in a classroom between instructor and student that does not happen when you are looking at a computer screen." But many large and nationally known programs are distance-based, generally with at least two on-campus residencies. For many top executives, a distance-based model is required. "The biggest constraint with a c-level [CEO, CFO, CIO, etc.] officer is time," says Right Management's Clark. "They are traveling today more than ever before, and their business is more international than ever before."

At Duke, two of its three executive MBA programs (the Global Executive and Cross Continent MBAs) make heavy use of Internet-based learning. "As long as you have a computer and can get to an airport, you can participate," says Nagy. FIU College of Business Administration Executive Dean Joyce Elam says students in the university's Global Executive MBA program regard virtual work environments
as standard operating procedure. “Students who have worked in Latin America are used to working in virtual teams,” she says. “It’s not anything different than what they do in their everyday work life.”

Schools that offer distance learning say that students bond just as closely in Internet-based learning as they do in classrooms. “The students are interacting with the faculty all the time, and the students are interacting with each other all the time,” says Randy Pohllman, dean of Nova Southeastern University’s Wayne Huizenga Graduate School of Business and Entrepreneurship. At five years old, theirs is one of the country’s oldest online executive MBA programs. Cury, who was part of FIU’s first GEMBA (Global Executive MBA) class, agrees. “You really had to be prepared for the class,” he says. “Since it’s online, it’s really quick. The professor is questioning you all the time.”

Other trends are also changing executive education. For one, programs with an international focus are growing. All of FIU’s programs focus on international business; at UM, the international executive MBA program is as large as the regular executive program. It’s particularly valuable for managers who have been moved here from other parts of the country, says UM’s Nozewnik. “For those who may not have been exposed to international business ... they need to have that exposure,” she says.

Another debate is whether MBA courses should focus on specialized subjects or on generic applications. Nozewnik expects that new specializations will be one of the strongest trends in executive MBAs, as does UF’s Gordon. “I think as businesses become more specialized, MBA programs will become more specialized,” Gordon says. “Businesses are going to be more insistent on having a larger portion of the curriculum aimed at them.”

Others see a return to the basics, at least in today’s economy. “We’re really focused on strategy courses, because [executives] believe it will help them think their way out of a recession,” says Robert Mittelstaedt, vice dean of executive education at The Wharton School, University of Pennsylvania. “Our course called finance and accounting for non-financial managers just goes on and on, as does our course on negotiation.” At Duke, says associate dean Nagy, the movement is towards teaching leadership instead of management.

Unfortunately for those executives looking for an employer-sponsored MBA, the trend in that area has fewer employers paying. That’s leading many schools to customize executive education, creating shorter programs that cover topics specifically relevant to a particular business, often presented on-site.

At Nova, where the Huizenga school will soon move into a new 261,000-square-foot building, there will be a variety of high-tech classrooms set up with just that purpose in mind, including two classrooms ready for simultaneous translation services. “We want to be available for business education, not just classroom education on a traditional basis,” says Pohllman. Students, too, are looking for more than a traditional classroom experience. As Cury says, “I was not really looking for a degree just to get a degree. I was looking for experience, to understand what was happening all over the world.”

THE PROGRAMS

There are plenty of options to choose from for the executive interested in furthering her or his education. When choosing a program, educators recommend that you sit in on a class and observe the quality of discussion. Talk with current students and see if they are people you can learn from. And, find out if the faculty teaching at the business school are part of the full-time faculty. You’re going to be very intimately involved with the school you choose and the people going there, so make an educated choice.

School of Business Administration, University of Miami, Coral Gables

“The core of our program is, in fact, the faculty,” says Harold W. Berkman, vice dean of graduate business programs. Largely full-time and tenured, the faculty are heavily involved with research and consulting. Berkman also says that UM is South Florida’s only private university whose business school is fully accredited by AACSB International (the Association to Advance Collegiate Schools of Business). UM offers three executive MBA programs, all in classroom. The Executive MBA with a Specialization in Management meets 40 Saturdays annually for just under two years. About 60 percent of students are managers and executives; the rest are transitioning from roles as engineers, supervisors and administrators. The Executive MBA with a Specialization in International Business offers a general business curriculum,
Executive MBA: $38,500; Global Executive MBA: $42,000

H. Wayne Huizenga Graduate School of Business and Entrepreneurship, Nova Southeastern University, Fort Lauderdale

"We try to stress entrepreneurial thinking across the curriculum," says Randy Pohlman, dean of the Huizenga school. "In any job ... if you think like an entrepreneur and you're creative and you're innovative, then anyone is going to be better off." Nova's eMBA, now in its fifth year, is an 18-month online program that includes both Internet classroom and e-mail components, with 15 students per course. The program ends with an on-campus capstone at Nova's Fort Lauderdale campus. The school's Master of Business Administration for Working Professionals takes place over 18 months on alternate Friday nights and Saturdays, at either the Fort Lauderdale campus, or one of Nova's 21 off-campus locations (ranging from Nassau, Bahamas to BellSouth's corporate offices). Nova's Master of International Business Administration is also an 18-month program held on alternate weekends, either in Fort Lauderdale or in Kendall. The course ends with an optional one-week international field seminar.

Graduate School of Business, Florida Atlantic University, Fort Lauderdale

"We traditionally have attracted people in the mid-to-upper-management in their companies, and they usually have non-business backgrounds," says Rohan Mills, coordinator of executive programs. FAU's 20-month Executive MBA curriculum takes place on Saturdays at the Commercial Boulevard campus in Fort Lauderdale. In particular, it attracts engineers, nurses and physicians who have moved into management positions. About 10 percent of students are entrepreneurs. Along with the general management program, students can opt for an international certificate, gained by taking several electives and joining a summer international trip. FAU's business school is accredited by AACSB International. exmba.fau.edu

Executive MBA (based on credit hours): $26,000 - $31,200

Warrington College of Business at the University of Florida, Gainesville

"Some schools are not able to attract people from very big companies because of the brand-name thing, and others do not welcome those from smaller companies, because of the brand name thing. We're Florida. We have both," says Erik Gordon, director of MBA programs. The school's weekend Executive MBA program meets one Friday-Saturday per month over the course of two years. The Internet MBA meets on campus either seven times over the course of a 27-month program, or four times during the course of a 16-month curriculum (which requires an undergraduate business degree). Warrington is particularly well-known for its finance faculty; many "have nationally famous names," says Gordon. Along with business courses, students take professional development courses in everything from business writing to oral presentation skills.

Exmba.ufl.edu Executive MBA: $27,900; 2-Year Internet MBA: $31,900; 1-Year Internet MBA: $26,500

The Fuqua School of Business at Duke University, Durham, North Carolina

"We've been a forerunner in developing innovative ways of delivering the MBA," says Dan Nagy, associate dean for admissions and recruiting. Indeed, Fuqua offers three different executive MBAs. The Weekend Executive is a 20-month program that meets Friday-Satur-

day, every other weekend, and combines a core management curriculum with electives. A similar combination of core courses and electives can be found in Duke's Cross Continent MBA. That 20-month program melds nine one-week residencies in either North Carolina or Germany with Internet-based learning in between. Finally, Duke's Global Executive MBA's five terms each combine two weeks of residency with 10 weeks of Internet-based virtual classroom learning. The first and last residencies take place in Durham, while the middle three take place in locations in Europe, Asia and South America.

Www.fuqua.duke.edu

Weekend Executive MBA: $79,500; Cross Continent MBA: $82,500; Global Executive MBA: $107,000

The Wharton School, University of Pennsylvania, Philadelphia/San Francisco

"We obviously have a reputation for finance, but the school is much broader than that," says Robert Mittelstaedt, vice dean of executive education. The two-year Wharton MBA for Executives meets on Fridays and Saturdays every other week, with several four-day sessions throughout the program; there is also a one-week international trip. Wharton's admission requirements are among the most stringent: 10 years of work experience (7 or more as a manager) and endorsement from one's employer. Wharton is also well-known for its executive education programs, in particular its 5-week Advanced Management Program. "Literally more than half the people that leave that course say it was a life-changing experience," says Mittelstaedt. Some 75 percent of participants in the intense program, which costs $37,000, come from outside the U.S.

Www.wharton.upenn.edu

MBA for Executives: $115,800 (Philadelphia); $125,700 (San Francisco)

Note: tuition for these programs generally includes lodging and meals.