E-minded MBAs angling to join established firms trying to hone business-to-business finesse

By CARA BUCKLEY of Knight Ridder Newspapers

MIAMI — Despite the death knell for dot-coms, many South Florida MBA students are flooding e-commerce classes and banking on Internet-related careers.

"People are viewing e-commerce as this terrible event on Wall Street, but students are tracking dot-bombs," said Robert Plant, associate professor at the University of Miami's business school. "Students are smarter — they understand this. They're the second wave of e-commerce entrepreneurs."

Unlike their predecessors who flocked to straggly start-ups in droves, today's e-minded MBAs are angling to join established companies trying to hone their business-to-business finesse.

"E-commerce is an intrinsic part of business nowadays," said Raquel Solozano, 24, a UM student who hopes to work with the Internet site of a major bank.

"There's been a lot of failure, but businesses cannot avoid doing business over the Internet."

UM started offering an MBA e-commerce concentration this fall, drawing 29 of the program's 600-odd students.

"We expect the number to grow considerably over the next year. It's a very hot major," said Plant, the program's director.

The Wayne Huizenga business school at Nova Southeastern will launch an MBA e-commerce concentration this January, responding to student demand. "There's more to e-commerce than dot-coms," said Claudia Santin, the school's associate dean. "It's another stream of connecting the global marketplace."

At Florida International University's business school, students are being turned away from overbooked e-courses.

Thirty-five percent of its MBAs enrolled for fall e-business classes, up from 5 percent last spring, when FIU's e-courses made their debut. Forty percent are signed up for spring 2001.

"Students are not looking for dot-coms, students are very interested in joining companies," said Dinesh Battra, associate professor of information sciences at FIU.

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— Charles Newman, e-business professor at FIU

"I see a very rosy future for e-commerce. But not with a small dot-com start-up," he said.

The burst of the dot-com bubble provided valuable lessons for today's MBAs. Chief among them: The business-to-consumer strategy of being a third party shipper without liquidity spells negative revenue, regardless of how many banner ads or eyeballs a Web site draws.

"Most dot-coms started as virtual organizations," Plant said. "You're seeing a shake-up of models that were unsustainable. There's a reason why Warren Buffet said he didn't understand the model."

But readying businesses for the digital marketplace is different because the demand and services are real.

"The vast majority of e-business — at least 60 percent — is transformation, taking a brick and mortar company and using the power of the Web to do their business more effectively," said Charles Newman, a professor of e-business at FIU. "Increasing productivity, establishing closer relationships with customers. That's what the buzz is about."

The buzz also is about enterprise resource planning, behind-the-scenes software applications that automate finance and human resources departments, and help manufacturers manage production schedules and process orders.

Flexible planning applications allow companies to ship custom-size orders to buying companies without biting into costs.

Warehouses could ship just one book at a time, with each outgoing book setting off a chain reaction that ends in automatic reordering when a set number of books are shipped.

These restructurings are massive and complicated, requiring high maintenance from savvy consultants who also can prepare companies for the digital marketplace.

Enter e-commerce MBAs.

"There's huge demand. These are established companies with real needs," said John Angele, emerging products manager with JD Edwards, a software-consulting firm.

A smattering of MBA students still dream of start-ups.

"There's a lot of opportunities in established companies who haven't fully explored the Internet," said Tanis Perez, a UM student who plans to launch an e-business after graduation.

Perez insists his model, developed with another student, sticks fast to basic business principles.

"Most important is generating revenues. Number one is shareholder value and profits," he said.

He won't provide details, but describes his plan as a "bulletproof" combination of B-to-C and B-to-B.