

EXPENSIVE? IRRELEVANT? *OBSOLETE?*

Students and faculty take on the five biggest myths and misconceptions about MBAs. By *Jane Nicholls*.

01

In the future of work, MBAs will be obsolete

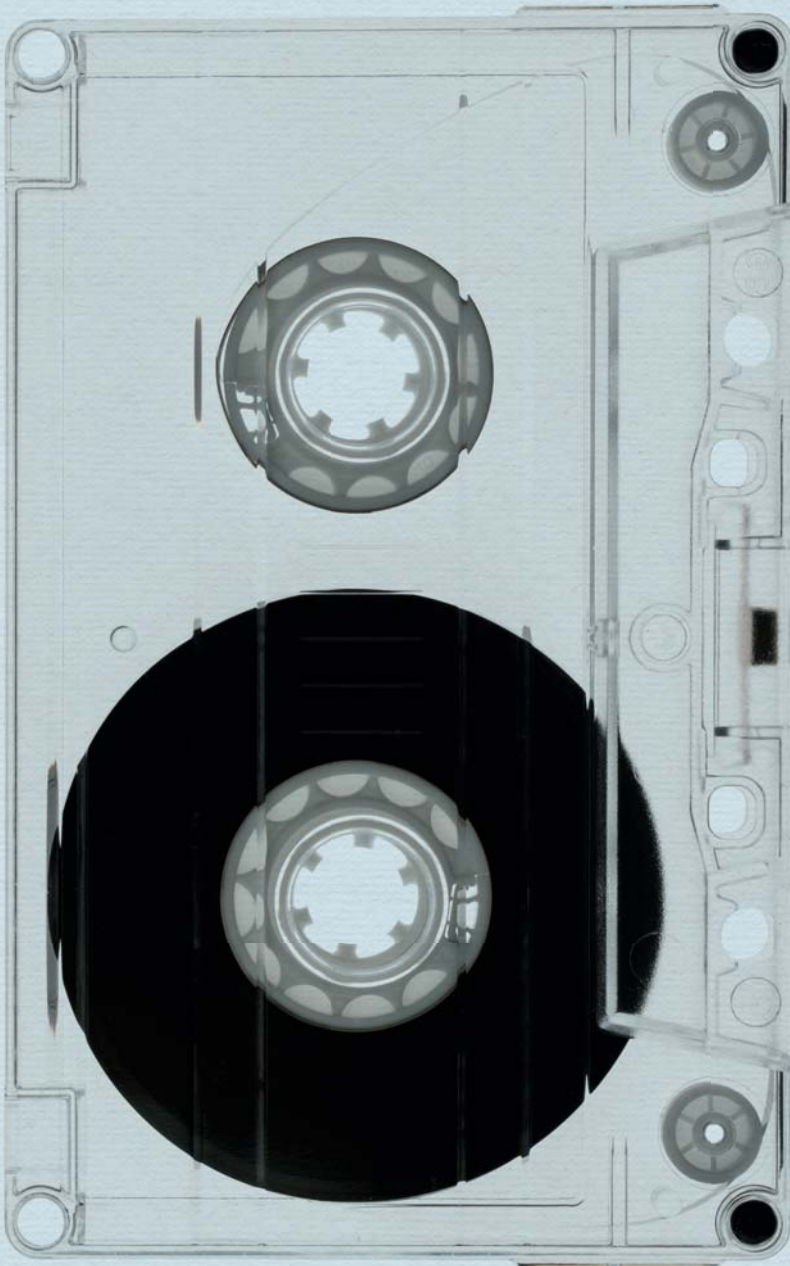
UNIVERSITY OF Queensland (UQ) Business School MBA director Dr Nicole Hartley says future leaders will grapple with increasing automation and the prospect of finding gainful employment for workers whose current skills might not be needed. "The robots are coming but strong interpersonal skills, such as conflict resolution, persuasion, empathy, critical thinking and negotiation, are things that robots can't replace. The MBA helps students fine-tune and apply those skills."

"Like any organisation, we need to think strategically to respond to changes in the market," says Associate Professor Colin Higgins, MBA director at Deakin Business School, Deakin University. "We live in a Netflix world where students expect things to be on demand and want more flexibility so we've put a lot of effort into that."

Serge Radojevic, a current University of Queensland MBA student, sees MBAs as "more relevant now than ever". He's a legal and commercial manager at mining company Idemitsu Australia Resources and the managing director of his wife's physiotherapy and Pilates studio.

"In today's fast-moving business world, the MBA gives you a more sophisticated appreciation of what it means to grow your network meaningfully with like-minded people," says Radojevic. "It presents enormous opportunities."

Western Sydney University (WSU) 2017 MBA graduate Jeremiah Jeevakumar says the degree helps critical thinking, something absent from his Bachelor of Commerce. "It nurtures students to challenge everything and make sure you get to the truth."



02

Great leaders are born that way

UNIVERSITY OF Sydney Business School 2018 graduate Jodi Cantafio was initially intimidated when there were personality tests on day one of the first intensive part of the degree. "In an MBA program there are always a lot of extroverts who are happy to talk in front of the class and that's really not me."

But she stayed the course and found she could lead and "still be an introvert and highly structured... Leading teams is about practice". Cantafio is a manager in the Workforce Advisory with EY and co-founder and chief operating officer of cybersecurity startup Incyte Solutions.

"We say you can be a leader in all sorts of different dimensions and ways... We teach people to uncover their inner leader and it might be leading three people in a startup," says Professor Ian Harper, dean of Melbourne Business School (MBS). "People's leadership capacities are linked to innate skills and character but you can take people with a thimbleful of leadership potential, who have perhaps talked themselves down, and put them in the right environment with the right stimulus and away you go. A lot of our alumni say, 'The MBA knocked our blinkers off, widened our horizons and told us that we can do this'."

"You often hear people say they've got 20 years of business experience but you find they have one year of business experience repeated 20 times over," adds Professor Patrick Butler, director of MBA programs at Monash Business School. "We can certainly train leaders."



03

MBAs are irrelevant for startups

"IN ALL the years I've been teaching MBAs here and internationally I don't think I've come across a class where even half the students have been from big corporates," says Monash's Butler. "The bulk of the people are from SMEs [small and medium enterprises] – these are the drivers of the economy."

The MBA is a set of important strategic business and organisational skills "and they're as equally relevant to a large multinational as they are to a not-for-profit," says Professor Nick Wailes, director and deputy dean at the Australian Graduate School of Management (AGSM) at UNSW Business School. "If your small business or startup is successful, it's going to become bigger. About a third of our current MBA intake is involved in or thinking about a startup and they're using the MBA as a transition point." The degree, says Wailes, helps people "find their passion" and the experience often puts students on a new career trajectory.

"UQ's MBA cohort is diversifying significantly," says Hartley. "Last year about 14 per cent of our graduates moved into the non-profit sector and about 11 per cent went into their own startup. In our program, we look at ways that business makes an impact on society and I think that fosters an understanding in people that there's more to life than the corporate ladder."

MBS's Harper makes the point that "MBA skills are malleable and transportable. In some respects big businesses are really a collection of small businesses, not the monolithic bureaucratic organisations of 50 years ago. They have to be agile."



04

MBAs are prohibitively expensive for most people

"As a cost, yes, it's up there in terms of a new car or a new kitchen or taking the family on a European holiday," says Deakin's Higgins. But an MBA is an investment rather than a cost, he says. "They achieve the value over the long term in career and salary progression."

AGSM's Wailes says data backs this up. "There's a significant uptick in earning capabilities – somewhere between 60 and 80 per cent three years out from completing an MBA," he says. "Multiply that over a lifetime and it's a significant financial benefit." Wailes also points to the Australian government's FEE-HELP scheme, which makes interest-free loans available to Australian citizens for postgraduate studies. "That means that anyone can access a high-quality education."

WSU graduate Jeremiah Jeevakumar, a commercial analyst, specialised in supply chain and logistics during his MBA studies. The university helped arrange an internship for him at alcohol distribution company BevChain, which turned into a graduate job and, within 18 months, a promotion to his current role. "Now I've landed a job doing what I love," he says, "it doesn't seem as expensive as I thought."

05

MBA course requirements are impossible for anyone with young children

DISPROVING THIS is Marie Garcia, who had a new baby and a job while studying for her MBA at WSU. "It required time management, effort and determination but it wasn't that difficult," she says. "I was working and attending classes in the evening, the assessments were submitted online and most of the professors were flexible." Today, Garcia is a financial credit analyst with CNH Industrial, following an internship at the capital goods multinational during her MBA. Her son is now two years old.

Still, Monash's Butler is aware of the challenges. "We pace our program like a series of sprints," he says. "There are times when you're full-on and times when you can step back and make good on the absence from your family."

Monash Business School, he adds, "won't let anyone sign up unless we're sure they've worked out with their family just what support means... We are full of respect that when we're working on a company project or study groups, someone is at home carrying the load." ●

