

# Crunch or boom for MBAs?

Five leading business schools tell the Mail & Guardian how their programmes are responding to the global economic crisis

**Mail & Guardian:** Why should people consider doing an MBA now in what appears to be an unpromising climate for business?

**Jaco Volschenk**, lecturer in cost accounting at the University of Stellenbosch Business School (USB):

Now is the time to be more competitive and not less so. MBA students by their nature are enthusiastic and positive people. People study an MBA because they believe they will be needed in the future. These are the people who see opportunities rather than threats.

We are in a period where companies have some spare capacity within their staff. Usually MBA students are also the people who must keep the engine running and combining that with studies poses a challenge. This is the time to train your future capacity. Proactive companies know this.

**Ahmed Moolla**, the academic director of the Management College of Southern Africa (Mancosa):

The need for highly capable managers to lead organisations in an age of constant change is more urgent

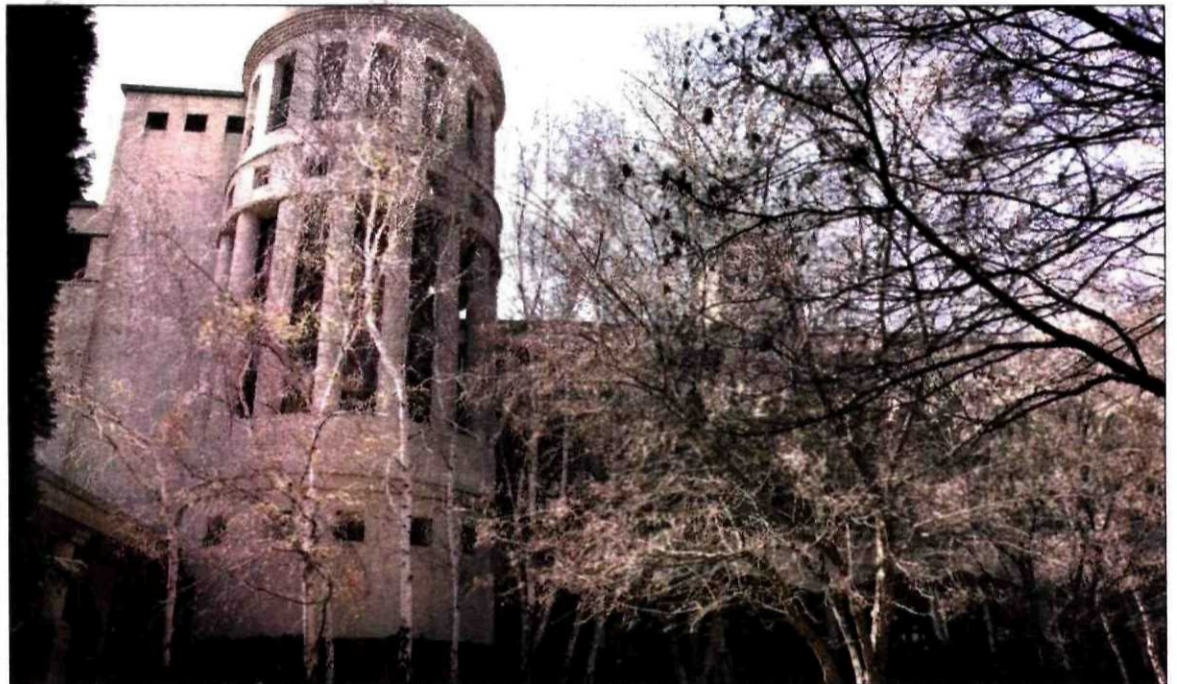
than ever. In uncertain economic times, the future will be defined by those with the ability to grasp complex issues, think strategically, act positively, lead decisively, manage collaboratively and resolve problems innovatively. A quality MBA is designed to transfer such skills.

**Cobus Oosthuizen**, the director of the management and leadership faculty of Milpark Business School:

An MBA degree equips and empowers managers and executives to deal with the challenges and realities of the "new economy". Managers and executives are exposed to the organisation-wide context, enabling them to integrate all parts of the whole in terms of decision-making, managing, finances and providing strategic leadership.

In terms of skills acquired from an MBA programme, three benefits come to mind:

First, business knowledge: one acquires valuable knowledge about business and all its related aspects; one learns about business strategies and concepts from real events and how to use these skills in practical life and in day-to-day business operations.



Wits Business School has seen an increase in applications for MBA programmes

Second, leadership abilities: an MBA degree involves rigorous training, assignments, reports, presentations and group projects – all of which give one the ability to deal with real-life business situations.

Third, networking: the relationships that one forms with fellow students and the networks created are as important and valuable as the degree.

**Professor Geoffrey Bick**, the academic director at the Wits Business School (WBS):

It is always appropriate for self-development to continue upskilling oneself, now in particular as there will always be a shortage of quali-

fied business managers, even in tough economic times.

At Wits Business School, we have noticed a counter-cyclical trend similar to the United States, where there has been an increase in applications for both the full-time and part-time MBA programmes.

**Shireen Chengadu**, the director of the MBA programme, Gordon Institute of Business Science (Gibs):

The ever-changing, competitive global market, rapidly evolving new technologies and challenging business environments are just a few of the issues facing South African business.

Times like these open up oppor-

tunities, but seeing them and making use of them requires the right business support, insight and knowledge. Both present and future business leaders require management skills of a depth and breadth that cannot be achieved through work experience alone.

**M&G:** Are schools adapting MBA programmes in light of the recession?

**USB:** We have always been proactive in our MBA programme. We were the first business school in South Africa to include ethics in its core programme and we are constantly innovating content and process.

We've started the concept of

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## Getting Ahead

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a leadership pipeline with our students. In this programme we don't just develop the individual or organisational leadership profile of students, we also spend considerable resources in developing the societal leadership profile of our students.

In our programme you will also come across concepts such as social entrepreneurship that recognise that societal objectives and corporate objectives could align to the benefit of everyone.

The USB was recognised in 2007 as the top-ranked business school in Africa for its proactive view of business as a role-player to the benefit of society. We extended the general management focus of the MBA to incorporate a specific master's course for the development finance industry.

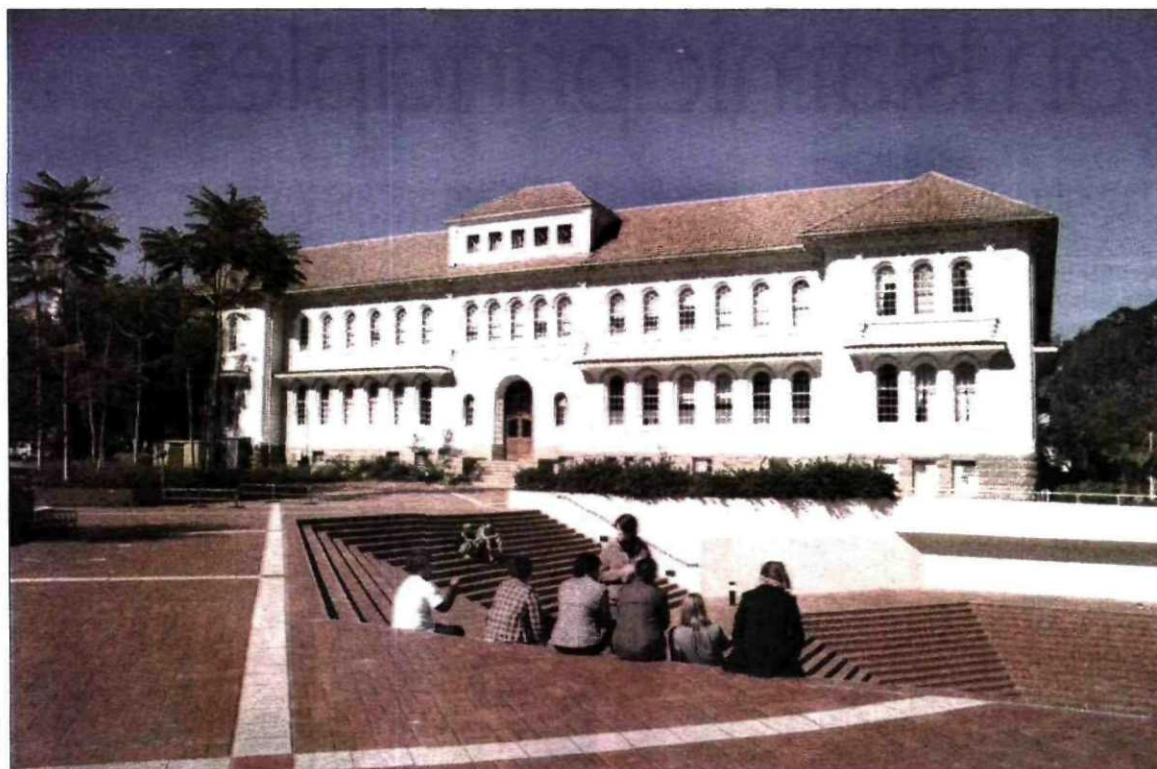
Having said all this, the USB has not changed its MBA programme since the economic crisis. We did a major overview of our MBA a while before the crisis and we are happy to say that the crisis only endorsed the changes we had made.

**Mancosa:** Business schools are beginning to alter MBA learning outcomes, content and curriculum in light of the recession. They have realised that they have a role to play in preventing a repeat of the crisis.

Some adaptations and inclusions to MBA programmes include:

- Examining the misalignment of executive compensation systems to long-term performance;
- Including risk management within a module or programme;
- Reviewing of the role of corporate governance within companies; and
- Reviewing and updating the learning outcomes in economics and financial management modules.

**Milpark:** We've recently introduced leadership, governance and ethics as one of our core modules. Governance and ethics have become core disciplines in the 21st century. Effective leadership and good governance are required at all levels in private, public and civil organisations, as without this it is almost impossible to sustain performance.



**Stellenbosch University's business school was the first in South Africa to include ethics in its core programme.** Photo: Oupa Nkosi

**WBS:** We are upgrading our MBA programme firstly by streamlining the programme to enable completion in one year of full-time coursework plus the research report, or two years of part-time course work followed by the research report.

Secondly, we are making the course curriculum current to requirements of the marketplace by adding modules in leadership, international business and ethics, sustainability and corporate governance, as well as adding an entrepreneurship stream. This will provide students with the skills to compete in difficult times.

**Gibs:** Business schools have seen an increase in the number of applications for MBA programmes as applicants use retrenchment packages to upskill themselves and "recession-proof" their careers.

The global aspect of our curriculum is an integral part of the MBA programme.

A compulsory global elective forms part of each student's studies

and this dimension adds in-depth knowledge of different economies to their experience. They gain a different perspective after their two weeks of immersion in either an Asian or the US economy.

From September, Gibs will also offer its first full-time entrepreneurship MBA. This is designed to equip those individuals with entrepreneurial spirit and business acumen with the management fundamentals and skills, disciplines and perspectives necessary to create their own future in a viable, sustainable business.

As the world battles the credit crisis, there is little doubt that South Africa needs more successful entrepreneurs to create a competitive, thriving nation that is strong, skilled and prepared.

**M&G:** What kinds of MBA graduates do you aim to produce?

**USB:** We aim to deliver students who excel in leadership and who are able to see business as integrated processes rather than the sum of different specialist functions.

Our MBA subjects are often taught by experts in different fields in order to help students see how the various functional areas are related. We often also make use of case-study teaching to avoid the paradigm of business as silos.

We see functional competencies (such as financial skills, marketing competencies and the ability to solve problems) as "hygiene factors" – that is, this is what employers would always expect.

So we aim to deliver more than functional expertise. We see the integration of functions as something that can set MBA graduates apart.

**Mancosa:** We aim to produce an MBA graduate who has the ability to:

- Apply management theories and skills effectively;
- Innovate and implement business solutions beyond the conventional;
- Employ quantitative, financial and scientific methods and techniques in making sound

business decisions;

- Manage in a global environment; and
- Be a responsible and ethical leader.

**Milpark:** We want to produce individuals who have the ability to analyse complex issues critically, to develop organisational strategies and to develop creative, imaginative and feasible solutions to management issues that ultimately create value for all stakeholders.

**WBS:** We strive to produce graduates who are:

- Well prepared to meet the challenges of a dynamic business environment;
- Capable of making appropriate business decisions by considering all the available information and taking a holistic view, and working with uncertainty;
- Schooled to approach business challenges differently, using new approaches to solving business problems;
- Capable of independent thought, but able to work in teams.

We achieve this through the interactive classroom environment, using live business case studies, and challenging the students in the classroom and evaluation environments.

**Gibs:** An effective MBA does not only provide knowledge in all the disciplines required to run a business. It also provides practical, experience-based business skills and personal leadership skills, and it challenges your world view on a variety of issues.

The Gibs MBA equips graduates with the necessary management fundamentals and skills, disciplines and perspectives necessary to build a skills base that creates an opportunity for students to become well-rounded and effective managers.

Networking is a key success factor in any business and this is actively encouraged in the Gibs MBA programme both through interaction with peers and through the wider exposure to the more than 1500 people who come through the portals of the business school each week.