

# EMBAAs in the United States

By Jason Price and Orit Sklar

As the world grows flatter economies integrate further. Preparing a workforce for these challenges has never been greater, particularly in our “new normal” business climate. Leading the charge are business schools and their Executive MBA programs. It is here where the potential to show leadership and corporate responsibility is at its greatest and where global expansion is taking place.

## Tarnished Luster

The recent recession has turned all fundamental economic laws upside down. Everything is now being questioned. However, business schools are best suited to lead the way with new curriculums that offer a stronger emphasis on corporate and personal ethics. The programs need to revitalize education so that it is not a function of the old economy but a living and breathing product that continues to evolve and act responsibly.

The afterglows of Wall Street may have dimmed but business graduates have found an invigorating entrepreneurial spirit. Competition to get into business schools in North America remains competitive and this goes for applicants of the Executive MBA. The new mantra in MBA programs these days is building corporate social responsibility while schools look to further penetrate the globe by exporting the business school brand. Excitingly, this is best seen in many North American Executive MBA programs.

## A Global Perspective

If EMBA students weren't globetrotting prior to their enrollment, that certainly will not be the case after completing a US-based EMBA program. Now more than ever, EMBAAs in the United States are expanding their reach by offering degrees independently overseas or through partnerships with one or more international business programs from South

America and Latin America to Europe and Asia. Building international bridges exposes the university brand, exports the US-based business teaching methods, and draws in the best and brightest from around the world – all of which simulates the real world business environment and establishes an additional appreciation and understanding of the markets' impact on individual lives and communities around the world.

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Some schools rise above others. “Unlike other schools that seek to establish a virtual or ‘bricks and mortar’ presence in other countries, our partnerships are built to provide our US students with comprehensive global immersion experiences,” says Jim Bradford, Dean and Ralph Owen Professor for the Practice of Management at the Vanderbilt Owen Graduate School of Management.

Xavier University has partnerships with numerous schools overseas, and prides itself on placing a strong emphasis on the international experience from day one. “As one of the oldest EMBAAs in the nation our inclusion of mandatory international study was pioneering,” remarked Jennifer Bush, senior executive director of the MBA program. “International is no longer an option for an EMBA, it has to be mandatory. Business is global. EMBAAs have to be global. That is the perspective that they have to have no matter what their role and their industry.”



Globalization has played a large role in determining the path of EMBA programs. “In 2004 we transformed our EMBA programs which were offered in three locations as separate programs, into EMBA Worldwide, with one cohort, one selection process, one curriculum and approximately 35% of the content offered in a global context in our unique Global Executive Forums,” said Anne Nemer, Assistant Dean and Executive Director of the EMBA at the University of Pittsburgh, which graduates approximately 90 students from the EMBA Worldwide program per year, and 25 from custom EMBA programs.

The University of Pittsburgh's EMBA uniquely shines with its tri-continental setup, operating independently, and not in concert with any institution, except in the case of the custom EMBA program in Prague, which is offered in partnership with US Business School Prague. Another great example of a multi-university EMBA degree is the respected program TRIUM, a three university collaboration, which bridges universities from the US, France, and England together.

## Economic Factors

So as curriculum's are rewritten and personal and corporate responsibility are emphasized, the struggling economy has left some EMBA programs certain about their future enrollment and left others guessing. According to Bush, Xavier EMBA applications and admissions are on the rise, as candidates begin to realize the timelines of the degree to prepare for the challenges that lie ahead as a result of the downturn.

However, the financial support once relied upon by corporations has declined, notes Francis Petit, Assistant Dean of Fordham University's EMBA, pushing more of the financial cost on to students. James M. Parker, Executive Programs Director and Adjunct



New York - Wall street, skyscrapers in Manhattan

Associate Professor of Marketing at Pace University's Lubin School of Business predicts that there will be “a record number of applications, and of higher caliber.” But Parker also expresses concern that “some accepted students may decide to wait another year before enrolling due to worrying about being able to pay their tuition.”

Thunderbird School of Global Management has ruled out the art of speculation and has already felt the recession's pinch. “It has caused a decrease in applications from the past several years, as prospective students are more hesitant to take on large financial obligations and their employers are cutting tuition reimbursement programs,” said Barbara Carpenter, Associate Vice President, Executive MBA programs.

Outside of admissions, another indicator of a struggling economy is class size and focus. At Washington University in St. Louis class size for the previous five intakes has decreased from

50 to 30. And Rutgers University has completely re-engineered its courses.

## EMBA Outlook

Questioning the market value of an MBA is common, but EMBA programs are quick to dispel general thinking and instill a broader context for the use of an MBA. “Growth markets have been the traditional employers of MBA students, but MBA graduates offer equal, if not better value, to emerging markets as well,” states Bradford. All organizations – small or large, established or start-up – face similar types of challenges. The life cycle of an organization and economic cycles of world markets demand talented and educated individuals who can and do provide the analytical abilities and judgment needed to guide businesses successfully.”

And, when it comes to employability of the EMBA, the tracking of graduates has yielded impressive results. 22 per cent of the Class of

2009 at Vanderbilt, which confers 50 EMBAAs annually, received a promotion after the first year of the program, 52 per cent reported salary growth and 74 per cent gained greater managerial responsibility.

“In the past year, the Olin Business School, Washington University in St. Louis, has had six current EMBA students lose their jobs through down-sizing. Four found work after looking less than two months,” said Arelia Jones, Executive MBA Program Coordinator. Part of their success lies with their skill set, but one cannot underestimate the network available to Executive MBA students who consciously develop their connections with classmates and faculty.”

While the standard profile of an EMBA student remains constant (average age 38; 10-14 years of work experience), financing is the overwhelming factor. According to the Washington University in St. Louis, 30% of the most recent class is not receiving any financial support from employers compared to 18 and 19% for the two preceding classes. The fall 2007 class had 34% with no financial support.

As the cost of an EMBA is higher than its counterpart MBA, the shift in the economy ultimately affects prospective students and companies' ability to afford it. Is this one more area in which EMBA programs will have to demonstrate their market readiness and adaptability or will they take the wait-and-see approach? In the past, EMBA programs have answered the demands of a dynamic global economy on many fronts, and now will be the time to prove the true value add of an Executive MBA degree.

## About the author

EMBA World, founded in 2004, is a New York City-based organization dedicated to helping employees and employers understand options regarding graduate level business education and the Executive MBA. Jason A. Price, MS, MBA, is Director of EMBA World and author of *The Executive MBA: An Insider's Guide for Working Professionals in Pursuit of Graduate Business Education*. Orit Sklar is content manager. For more information on EMBA World, the Executive MBA, or the Insider's Guide to the Executive MBA, visit any online bookstore or EMBA World [www.EmbaWorld.com](http://www.EmbaWorld.com). You can reach Jason A. Price at [Jason@embaworld.com](mailto:Jason@embaworld.com) and Orit Sklar at [Orit@embaworld.com](mailto:Orit@embaworld.com).