Management Education and the Executive MBA

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ABSTRACT

The purpose of this paper is to compare the Executive MBA programs offered in Trinidad and Tobago as a guide to executives seeking to pursue a graduate business degree. The methodology employed was research of the published prospectuses from the business schools that offer an executive degree, interviews with program coordinators to fill information gaps, and preparation of a matrix based on key decision criteria for comparative purposes. The main finding is that there are significant differences between the two main providers in terms of length of program, entry requirements, assessment methods, and program cost which create a highly competitive environment with strategic implications for the local graduate business school. The value of this research is that it is pioneering work in the Caribbean context which will serve as a guide to business executives, sponsors, and governmental agencies in participating in and supporting EMBA programs.

KEYWORDS: Executive MBA; Executive Education; Management Education; Business Schools; Masters’ in Business Administration; Business Education in the Caribbean.

INTRODUCTION

Management education (ME) often used interchangeably with graduate business education (GBE), was introduced over 100 years ago in the United States of America (U.S.) by way of the masters in business administration (MBA) as the main qualification. The early introduction of MBA studies was based on an MBA for executives (EMBA) in the U.S. but GBE has evolved over the years with applications extending to several developed and emerging countries worldwide. There now exists a reasonably extensive body of research on the MBA which has options such as a: general MBA; specialized MBA; International MBA; accelerated MBA (Gupta, Saunders, and Smith, 2007) and more recently online MBAs. However, the research on the EMBA is relatively sparse particularly in small emerging economies such as the English-speaking Caribbean and Trinidad and Tobago (TT) which is the case presented in this paper. The Caribbean island chain extends from Jamaica in the North to Trinidad and Tobago in the South and comprises seven million people with TT constituting 1.4 million. The literacy rate in the region is relatively high and TT in particular, as a hydrocarbon-based economy, has the resources to subsidize education. This has created a growth industry for ME which has attracted competition among business schools (B-schools) including foreign franchise B-schools seeking to gain market share from the local graduate B-school. Thus, the objective of this paper is to critically assess the only two EMBA options available to executives in TT in order to provide a guide to executives considering an EMBA education, sponsors of B-schools, and governmental agencies that fund graduate education and provide subsidies to graduate students.

MANAGEMENT EDUCATION

Mintzberg (2004) distinguished among business education, ME, and management development and favored a management development approach which adopted a business pedagogy that emphasized: knowledge enhancement through the traditional classroom lectures and case studies; experience sharing and reflection; and idea generation directed to identifying business opportunities, developing projects, and undertaking business-related exercises. ME is evolving relatively rapidly because of five key driving forces which Thomas (2007) identified as: demographic changes; adaption of information and communication technology to educational pursuits; the globalization phenomenon; growing adoption of entrepreneurial activities; and competition among management education
providers. These driving forces imply significant changes in the way ME and MBA studies are pursued as summarized in Table 1.

Table 1: Implications of Key Driving Forces on ME

<table>
<thead>
<tr>
<th>Demographic Forces</th>
<th>Information &amp; Communication Technology (ICT)</th>
<th>Globalization</th>
<th>Entrepreneurial Enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Older and more experienced persons will pursue higher business education</td>
<td>Growth of internet-based education</td>
<td>Increase in student diversity</td>
<td>Importance of small enterprises highlighted</td>
</tr>
<tr>
<td>Project and teamwork will predominate</td>
<td>Increase in self-study programs</td>
<td>Global ways of doing business important</td>
<td>Linkages between ICT and management emphasized</td>
</tr>
<tr>
<td>Teaching material will have to cater to cultural differences</td>
<td>Growth of electronic libraries and databases</td>
<td>Cross-cultural content critical</td>
<td>Increase in focus on teaching of entrepreneurship and emerging business skills</td>
</tr>
<tr>
<td>Curricula requires greater flexibility</td>
<td>Greater use of technological tools by teachers</td>
<td>Growth in customized executive programs</td>
<td>MBA project work will emphasize business start-ups</td>
</tr>
<tr>
<td>Shorter degree programs</td>
<td>Delivery systems are distributed</td>
<td>Emphasis on global cross-functional teams</td>
<td>Business incubators are linked to universities</td>
</tr>
<tr>
<td>Greater affordability</td>
<td>Older concepts in ME become obsolete</td>
<td>Global delivery of ME</td>
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The driving forces that are particularly applicable to this study context are: flexibility of curricula; shorter degree programs; increase in self-study especially internet supported; increase in customized EMBAs; an entrepreneurship focus; business incubators; and competitive pricing. In addition to the implications of the forces driving ME, Thomas (2007) identified specific issues and challenges that B-schools faced including: broadening research to address the matter of relevance and rigor and the professional model approach; building international dimensions; linking entrepreneurship studies to ME; balancing business skills in the private and public sectors; balancing research and teaching; gaining insight into cultural dimensions; creating and managing alliances; developing technology; and raising funds. The driving forces and the implications relevant to the case of TT will be highlighted in the discourse on results of the B-schools comparison in this paper.

In the case of India, Shweta and Kumar (2011) indicated that many difficult issues were faced in ME such as: proliferation of B-schools; questionable quality of education; faculty shortages; poor regulatory system; and gaps in governance and accountability. The authors argued for a revitalization of ME in the country if stakeholder objectives were to be met. The issues of the number of B-schools,
inadequate regulatory processes to determine quality of graduate education, and shortages of experienced faculty are applicable to the TT case.

THE CASE OF EMBA STUDIES IN TRINIDAD AND TOBAGO

The EMBA was introduced in 1943 at the University of Chicago and was designed to cater to persons who are employed full-time in middle to upper level management in existing private businesses, public sector organizations, or non-governmental organizations (Petit, 2011). The course structure of the typical EMBA is similar to that of the general MBA but franchise business schools have disrupted the market. The main difference between the general MBA and the EMBA is the level of business experience of the participants and the nature and depth of the discourse and ideas exchange arising out of the greater experience of business operations by executives. According to Gupta, Saunders, and Smith (2007), the EMBA became the most lucrative degree in ME mostly because participants were sponsored by their companies. This position was echoed by Thomas and Peters (2012) who considered the EMBA as a premium priced program that served as the “cash cow” for funding business schools. However, changed market conditions are dictating the development of new strategies to attract participants to EMBA programs.

The case analyzed in this paper is a comparison between the local B-school, the Arthur Lok Jack Graduate School of Business (ALJGSB) which is semi-autonomous but an integral part of the University of the West Indies system which provides business education to the Caribbean region. The recent competitor is the Anglia Ruskin University, Lord Ashcroft International Business School (LAIBS) of England which operates through a local franchise holder. According to AACSB (2011), B-schools are expanding worldwide by delivering programs in foreign countries based on a franchising system. This approach was described by Lorange (2012) as a network with a franchise-holding school at the hub and franchise-taking schools located abroad completing the system. The environment is made more competitive because of the anomalous situation in which the state education subsidy of a 50% discount on fees is available to all registered institutions including LAIBS.

In the U.S., EMBA studies were considered by Maidment, Coleman, and Bazam (2009) as important because of: the capacity to link with the corporate world; exposure of faculty to business executives; opportunity for faculty development; revenue generation from fees; building reputation. In this context, a survey of colleges offering the EMBA was undertaken and 28 responses analyzed leading to the following conclusions: EMBAs are situated in the traditional B-school system and not geared towards ME; completion times varied from 19-25 months with the majority in the 19-21 month range; over 95% of faculty were full-time academics which left scope for utilizing more practitioners to provide an applications orientation; and the programs were expensive which raised value for money issues in an environment of cost containment (Maidment et al., 2009). Loyola University in the U.S. was also the subject of a case study of its EMBA offering where it was found that content integration and interpersonal skill development were lacking in the curriculum (Scott, Derrick, and Hoadley, 2012). The solution implemented in the EMBA program was to include integrative assignments for three days at the end of each of three semesters. After the pilot period, the approach was modified to cover one integrative assignment which was more in-depth.

RESEARCH METHODOLOGY

The objective of this paper is to assess the options available for completing an EMBA in TT through a comparison of the offerings from the local B-school the ALJGSB, and the only current competitor the LAIBS. The research method adopted for this paper included: collection of data from the online prospectuses of the B-schools (http://lokjackgsb.edu.tt/graduate-programmes and www.anglia.ac.uk/laibs); interviews with program coordinators to fill gaps in the data requirements; and application of the author’s experience as a lecturer in EMBA studies. The data were used to construct a matrix for ease of conducting the comparative analysis of the programs (Table 1).

RESULTS
The ALJGSB is a public institution with its own board of directors, management and staff, dedicated facilities, program offerings, and fee structure. The B-school has a developmental mandate in respect of higher education which is clearly stated in its mission statement as: “to improve the international competitiveness of people and organizations in the Caribbean through business education, training, consulting and research”. The ALJGSB initiated its EMBA program in 1990 and follows the trimester system and was the first mover in the field with an EMBA program but has expanded its offerings to other MBA options. LAIBS is the B-school of Anglia Ruskin University (ARU) of England and a recent entrant into the TT market with its program delivered by a private institution under a franchise agreement with ARU using a modular approach.

Nine criteria were selected for the comparative analysis (Table 2): type of B-School; program course structure; duration and stages of certification; entry requirements; delivery system; assessment method; teaching staff; basic costs; and accreditation. A brief comparison of the respective EMBA shows that there are significant differences between the programs. In terms of program structure, the ALJGSB program requires 12 core courses and 2 electives supplemented by 7 workshops and 2 non-credit courses compared to LAIBS which is a fixed 9 course program. The ALJGSB program focuses more on the functional areas of business such as: organization behavior; marketing; finance; quantitative analysis; human resources; production and operations management; management accounting. The LAIBS offers a specialist EMBA in leadership, entrepreneurship, and innovation which ALJGSB provides as an elective course. The LAIBS program clearly reflects some of the driving forces of ME relevant to this study identified by Thomas (2007) as shorter programs, highly customized with an entrepreneurship focus, and competitive pricing. The ALJGSB program affords somewhat greater flexibility with two electives, an on-site business incubator, and foreign study visits.

The major difference is the length of the programs with ALJGSB taking 30 months versus 9 months for the LAIBSs. The demands of attending classes are also very different with the ALJGSB conducting courses with 36 contact hours with local and foreign lecturers. The LAIBS is much less demanding in class attendance with three days classes per course and an option to purchase videos of the classes which indicates a high level of self-study. The entry requirements are also less demanding for prospective LAIBS executives with half of the business experience stipulated by ALJGSB. While the LAIBS employs an interview process for applicants, ALJGSB, in addition to an interview, conducts psychometric testing to gauge student capacity for graduate studies.

A critical factor in executive students’ decision on choice of program is the method of assessment and the LAIBS requires work-based assignments, no exams and a major project as compared with other MBA options. LAIBS conducts psychometric testing to gauge student capacity for graduate studies. The ALJGSB grading based on class participation, course projects, written exams, and a full 6-month practicum involving an organizational study or business plan for a start-up venture. In the vital area of program costs, the comparison shows that the LAIBS is half the cost of ALJGSB because of the difference in duration and lower level of course work. A point of contention is that the TT government provides a 50% subsidy on fees for graduate students from which both schools benefit.

<table>
<thead>
<tr>
<th>Comparative Elements</th>
<th>University of the West Indies</th>
<th>Anglia Ruskin University</th>
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<tbody>
<tr>
<td>Name of B-school</td>
<td>ALJGSB</td>
<td>LAIBS</td>
</tr>
<tr>
<td>Program Structure</td>
<td>Executive MBA: 12 Core courses; 2 Electives 7 Workshops; 2 Non-credit courses; Team practicum</td>
<td>MBA for Senior Executives: - Leadership, Entrepreneurship, Innovation: 9 Courses; Major project</td>
</tr>
<tr>
<td>Duration and Stages</td>
<td>24 Months + 6 months Practicum</td>
<td>9 Months</td>
</tr>
<tr>
<td>Entry Requirements</td>
<td>Bachelor’s degree with Hons. and 7 years in a senior managerial position;</td>
<td>Bachelor’s degree or professional qualification; or</td>
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</table>
or Mature entry with 12 years senior management experience

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<tr>
<th>Delivery System</th>
<th>Evening and weekend classes; live lectures and related technological aids; 36 contact hours per course</th>
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<tbody>
<tr>
<td>Assessment Method</td>
<td>Class participation; team course project; written exams; practicum</td>
</tr>
<tr>
<td>Teaching Staff</td>
<td>Mix of local and foreign lecturers</td>
</tr>
<tr>
<td>Basic Cost [Fee subsidy 50%]</td>
<td>US$ 10,200/year (US$ 20,000+). Tuition, exams, online journals but students purchase texts</td>
</tr>
<tr>
<td>Accreditation</td>
<td>AMBA</td>
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Source: B-schools prospectuses and interviews

**DISCUSSION**

The EMBA is expected to maintain its popularity among executives, but to sustain its relevance and appeal there is need to restructure some of the elements discussed in this paper. In particular, the intrinsic value of the EMBA and its relevance to the development of individual careers and business organizations must be examined critically. All EMBA degrees are not created equal, despite similarity of curricula, but differ in the competence and management experience of the instructors, the rigor of the assignments, and the scope of the studies. Nevertheless, in a competitive environment, it is appropriate for educational institutions to differentiate their product by targeting specific executive market segments and tailoring the curricula, delivery mode, duration, costs, and intensity to meet the different market needs and specific circumstances of participants. In this context, it is incumbent on B-schools in the Caribbean to understand the competitive dynamics of GBE which Thomas (2007) indicated will require: an overhaul of B-schools programs; consolidation of MBA programs; improvement in productivity through competitive pricing; collaboration with other B-schools; refocusing of programs to cater to niche markets; regular reviews of courses and subject matter; and greater involvement of key stakeholders in order to deal with the changing dynamics.

Further, it has been argued that business leaders and managers, to increase their effectiveness, must develop the ‘soft skills’ such as social responsibility, development of reflective skills, and awareness of the need to translate vision into practice by engaging employees in the process of creating organizational values derived from the vision, and an organization culture to match (Almog-Bareket, 2011). These approaches will inform the future of EMBA education in TT and the Caribbean region.

Increasingly, calls have been made by academics and business practitioners for rebalancing MBA programs (Datar, 2012), and there is a demand for rethinking EMBA programs based on: declining tuition reimbursement; demands for new pricing; international growth; demanding students; and the relevance-rigor debate (Petit, 2011). Based on these trends Petit suggested a new approach to EMBA education with B-schools urged to:

- Test the value proposition because of the disparity between what managers value most and administrators’ expectations.
- Anticipate disruptive innovations such as the entry of new competitors offering more affordable programs with lower-end facilities which open the MBA to entirely new markets. In this situation, B-schools must explore new types of offerings rather than focusing on maintaining their market position usually with heavy advertising.
- Rethink their cost structure and pricing model of the EMBA by a redesign which is geared to reducing tuition fees and associated study costs while still generating attractive income.
The results of the study presented in this paper confirm the imperative for B-schools in TT and the Caribbean region to come to terms with the driving forces and implications of these forces on ME which impose the need for rethinking traditional approaches, particularly with respect to EMBA studies.

CONCLUSION

The options for pursuing a general MBA or MBA with specializations present complex choices to students in TT because of the varied menu of programs and B-schools modeled on the traditional format or the franchise system. However, executives are presented with a simpler choice as discussed in this paper. The determination of which EMBA program to pursue is essentially a question of personal or organizational fit because the two programs represent considerable differences in terms of all the comparative elements highlighted in this paper including: number of course requirements; duration of the program; entry requirements, assessment system; and particularly costs although this latter criterion is moderated by a state subsidy available to participants in both programs. In the final analysis, the determining factor on choice of one of the alternative EMBA programs depends on whether the EMBA participant intends to pursue further higher education, or merely wishes to improve prospects for ascending the corporate ladder

REFERENCES