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Executive MBAs - Compelling Value For Working Professionals

B Schools and Universities that wake up to this prospect early will have the first go at this treasure waiting to be taken

by R S Veeravalli

Last line first, let me make the proclamations - one, a good Executive MBA (EMBA) from a quality institution is as effective as fulltime MBA, if not more in some aspects, for working professionals, and two, EMBA is potentially as large in size as the fulltime MBAs, in India, now almost entirely untapped.

Now let us see Why, and How.

Executive MBA as it should be is virtually non-existent in India and also not well understood. And it carries the burden of a denigrating legacy and devalued semantics - referred to in the past condescendingly as "Part-time MBA".

Indians are familiar with the term "Part-time MBA". It used to be offered in the twilight region of collegiate academics - done across three long years by a motley collection of students with eclectic profiles - in the evening classes, or weekends, somewhat defensively with a sense of abashment. No one was sure of its real worth, and carried an impression that it was done when nothing more meritorious was possible by those students. There were rare exceptions to this, offered by very few reputed institutions.

Fulltime MBA on the other hand was/is highly sought after.

In the past decades the fulltime MBAs grew rapidly. As Business today put it (oct 26,2014), India accounted for about 4000 (26%) out of 15000 B-Schools across the world. While the inevitable market forces have recently shaken out dubious ones in this, a larger set of quality conscious and globally pedigreed private institutions also have come in, offering high quality MBAs beyond Indian Institutes of Management (IIMs) in India, along with the recently increased the IIMs.

Innovations like one-year fulltime post-graduate programs came to be accepted because of their ability to attract top quality young minds, and their compelling Money Value of Time (MVT), a term popularized by the Global management guru and doyen of Indian

management education, dr Bala V Balachandran of the Kellogg Business School.

In this backdrop we examine the EMBA as it should be - whose time has come now.

From "Part-time MBA" to Executive MBA

The first thing to realize in EMBA is that it is not just one product but at least four, with five to six kinds of managers as target beneficiaries for good EMBA's - 1) those that cannot take a break in early career to do a full time MBA, 2) the middle-level managers fearing stagnancy and need/wish to push their careers higher, 3) the high-performing, high-potential midlevel managers keen to accelerate their careers on par with their peers with an MBA, and 4) those that are future CXO-CEOs seeking to transform from managers to leaders. Fifthly, those that wish to be specialist managers/leaders - in areas like Business Analytics & Data sciences, Technopreneurship etc., which give them the distinct edge over generic peers. Finally the business family members, Entrepreneurs that need management learning to run their businesses successfully.

The first lot at the entry level with say 2 to about 6 years' work experience require to be equipped to perform management functional roles successfully, with efficiency, productivity, revenue/cost as deliverables, and would need an EMBA with functional specializations.

The next is the mid-career manager with 8 ~14 years work experience who needs to manage business functions as part of value chain in a cost-center or strategic business unit (SBU), with contribution (EBITDA) and profit before tax (PBT) as the deliverables, say Profit & Loss (P&L) responsibilities. The third are senior managers keen to move to Business Leadership to become CXOs and CEOs, where they need to transform from Managers to Leaders, responsible for the growth of the organization, and wealth-creation for stakeholders, moving from P&L to the Balance sheet responsibility. This class will also serve the entrepreneurs or business family members that are to run their businesses. And the fourth is what could be the specialised EMBA's - where the Executive wants to grow to strategic levels while remaining a subject-area expert, like in business analytics & data sciences, technopreneurship, etc., as mentioned.

As effective, if not more - because Knowing is not Doing.

Management is neither art nor science but a practice - a craft, as dr Mintzberg said perceptively. Hence the KASH (Knowledge, Attitude, Skills, Habit) model is a good template to embrace - where the student translates all learning (knowledge) into know-how, and then practices that in her workplace and career development gap areas identified, under the watchful eye of a Coach/Mentor, till it becomes a new Habit, which is the performing ability threshold.

Only when the student internalizes Knowing to ability to Do, they get their education investment payback. Thus mere 'graduation' and the Certification is not a guarantee of do-ability for the graduate.

The EMBA's come structurally in-built with this where students learn a carefully designed

portion (in class, with peers, digital, self-study modes) in the formal learning part, and go back to the work-place to practice, to Develop, and come back again for more. This is key.

Thus EMBA gets a higher intrinsic value creation potential than the full-time MBA, which wouldn't have the practice and habit formation anywhere near!

Learn in EMBA, develop at work-place.

For this however the student must take central ownership. She must have career path visualized, derive Individual Development Plan (IDP) by mapping self to the aspiring future-role competencies, create a sensitized Learning & Development (L&D) eco-system at work place - align the boss, have a mentor, HR as committed stake-holder, and senior management aware and considering her a Talent worth retaining for enriched roles. In such a setting, EMBA becomes significantly more valuable for the professional.

In all good EMBA programs, where the employers sponsor the students, such a work place L&D support ecosystem architecture is almost certainly ensured, and thus exists an active and real collaboration between the corporation and the B School. The same can/should be created in case of self-funded students also, since it makes compelling sense for any employer to support the employee with potential funding herself for the program to develop, which would be the case in good schools/EMBA programs with rigorous admissions process (!) - as the benefits of such development will accrue first to the employer! (for instance, the PGXPM program at Great Lakes has all these elements in place to be exploited)

Business leadership - Managing is not Leading

The last and most valuable form of EMBA is of this crucial value creation process is the category of successful senior executives aspiring to become CXOs and CEOs, and business family members/entrepreneurs to run their businesses.

This calls for not just learning & development, but transformation of the individual, because Leading is not more or better managing, but an entirely different set of performance capabilities.

At the heart of it is this insight.

The manager is responsible for the PRESENT - making a plan and making it come true within the budget, managing the variations and deviations of present reality in execution.

The leader on the other hand is responsible for the FUTURE, in four completely different dimensions/ roles - Visionary, Strategic, People & Executive Leadership.

The Ivy league and other top B Schools offer these in the form of General Management Program (GMP) & Advanced Management Program (AMP) - with shorter duration and pertinently focused offerings, but not as post-graduate degrees. This formatting is always an option in the EMBA portfolio for the B School.

Executive MBAs - potentially as big as fulltime MBAs?

In their report titled "India Executive Education Market Outlook to 2020", Ken Research has the following significant things to say in this regard, "Executive Education in India is still in its infancy and its potential is yet to be realized. The nature of the programs offered by the management schools has to be bespoke made with advanced pedagogical tools that are matched to the needs of individual programmes and with an emphasis on active participation.. of candidates in the program..", and, "The changing pattern of the higher education is likely to propel the demand of the executive education programs in the country. ..."

The GMAC Application Trends Survey Report 2017 states...(that) "Part-time lockstep programmes - in which students proceed through a classroom-based program as a group - have seen stronger application volumes than part-time self-paced programs.. (and).. that women are increasing their representation in the graduate business school pipeline", indicating that this will also cascade into the EMBA's pro-rata.

In 2016-17 India had 560,000 MBA students (MHRD), and about two-thirds (350,000) graduated. These come from the age group of 22 to 28 with a median around 25~26 years. Intuitively we can say hence that the executive mba potential, from the white collars population between 25 and 40, should linearly be almost 3 times larger in terms of need. Thus at even one-third of it, the potential for EMBA should be equal to the current head-counts of the full time MBAs.

The B Schools and Universities that wake up to this prospect early will have the first go at this treasure waiting to be taken.

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