

Successful companies understand that their competitiveness depends on the performance of their people and not only their product, and are sending people on MBA programmes to fast-track them into leadership positions, says Nick Binedell, director of the Gordon Institute of Business Science.

The cost of an MBA varies greatly between R17,500 and R80,000, averaging at around R35,000 and many students are sponsored by their companies.

"While the financial cost may be considered to be substantial, the emotional and physical effort is often viewed as being far greater," says Binedell.

"On average, students taking a two year part-time MBA are required to attend 20-25 hours classes per week and put in an additional 25-30 rigorous hours of study.

"Any time that may be left over is undoubtedly swallowed up by the numerous case studies, which have to be analysed by project teams."

According to Prof Jeremy Lord, head of the University of Natal Graduate School of Business, an MBA is as much of an endurance test as an intellectual challenge.

"I'm not sure that every MBA on the market provides both those elements. There are some offerings that are relatively lightweight and it is a good thing that the minister of education has been pulling in the reins," he says.

"However, while the student market is relatively unsophisticated, the employer market is becoming increasingly sophisticated and more selective about which MBA programmes they recognise."

Lord says the best advice he can offer potential students is to do their research upfront and ascertain the status of the university concerned in its home country.

"There has been the naïve perception in this country that an international MBA is superior to anything local, but this is not necessarily the case.

He says, in many respects, an MBA is much less a financial than a time commitment, as many students are financed by employers, or at least on a loan basis.

"Typically, when students fail it is because they haven't worked."

But what are the rewards for such financial, physical and emotional commitment?

According to Binedell, students stand to be exposed to creative minds in the business world, and to gain insight into all the business disciplines, from the complexities of globalisation to the increasing strategic importance of new technology and the ever-changing nature of organisational structure and systems.

"MBA graduates will also gain more credibility within interview situations and be eligible for more senior positions," he says.

But, says Mark Peters, Dean of Henley Management College, business schools are not spending enough time developing leadership rather than management skills.

Although the MBA is a management degree, Peters says the old title of Master of Business Leadership may be more appropriate.

In an increasingly competitive marketplace, he says companies need to place higher priority on the quality of the people they appoint to manage their businesses.

"This does not mean only the brightest people, but those skilled in the area of adding value.

"Unless we get that balance right, we are in the danger of producing a level of management and skills which is academically sound, but may lack the practical skills needed to motivate and drive our organisations forward - this is the function of leadership."

Peters says in SA, where levels of productivity and customer service are notoriously low, it is important to train people who can lead people to add value, and who will welcome innovation and change.

"Managers who aren't only academically qualified but have a strong grasp of what makes people add value in organisations, would be a perfect combination," he says.

"With this combination of skills, and giving the people the tools and application with which to implement them, we would have a driving force that takes the qualities of an MBA graduate into the workplace and develops an environment in which only the best is given and profitability and productivity are maximised."