Nurses Transforming Care: Does an MBA Make a Difference?

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The Forum for Professional Nurse Leaders
20 Year Legacy
Leading nursing into the future

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Does an MBA really make a difference to your career?
Presentation

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- Introduction
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- MBA Disciplines
- Global MBA Ratings
- South Africa: MBA Ratings
- Costs of an MBA
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- Conclusion
What is an MBA?

- MBA (Masters in Business Administration) is one of the most sought after graduate degrees in the world
- This degree is versatile and used globally offering a major boost to one’s career
- The primary purpose of a MBA degree is to prepare students to become innovative and dynamic managers in a broad range of organisations
- Furthermore, the purpose is to foster strategic, innovative and critical thinking in a global business context
- Finally, the MBA will enable students to solve complex business problems via critical analysis of a dynamic and global business environment (MANCOSA, 2006).
Introduction

- The explosion of knowledge in the 21st century, motivated by technological advancements and new communication vehicles.

- The above have altered the manner in which organisations strive to remain sustainable and competitive.

- Is having the competitive advantage enough? NO, requires creativity and innovation.

- Creating strategies that are responsive to the global landscape, whilst still catering to the PESTLE G demands of the local and global environment.

- The above requires a new type of creative, innovative and visionary leadership.
Introduction

- MBA students acquire knowledge, skills and competencies to manage organisations via a series of well planned learning experiences and interventions.

- Provides graduates from non-business backgrounds the opportunity to increase their practical knowledge of business and enhance their strategic focus in a number of business disciplines.

- Develops analytical thinkers and problem-solvers who are able to operate in both a local and global environment.

- Allows students to reflect on management practice through problem-based and project-based activities.
Introduction

• Explores cutting-edge management theories and models to develop new business solutions and effective leadership approaches

• Improves career mobility and enables students to work in a range of industries

• Provides opportunities to network and establish communities of practice

(MANCOSA, 2006)
History of the MBA

- Early part of the 20th century the USA started becoming industrialized, industrial revolution

- First MBA program was established in 1908, Harvard business school (USA). 80 Students

- Executive MBA program was established in 1943

- In 1949 the first MBA school established in SA, (GBS- Pretoria). 25 students graduated in 1951 with a Master degree.

- MBA program started in Europe in 1957

- First female graduated at Harvard Business School in 1959

- In SA, the exit level of the qualification for an MBA is NQF level 9

- 15 Universities in SA currently have CHE Accreditation
MBA Disciplines (Ten)

1. Strategic Marketing Management
2. HR Development
3. Information and Knowledge Management
4. Strategic Management
5. Management Economics
6. Financial Management
7. Operations Management
8. Research and Quantitative Methods
9. Elective (Project, Healthcare, Change & Leadership Management)
Global MBA Rankings
1. Harvard Business School (USA)
2. London Business School (UK)
3. University of Pennsylvania (USA)
4. Stanford Graduate School of Business (USA)
5. Insead (France)
The following table shows the top 10 business schools in the world and the average MBA alumni salaries, as well as the average difference in alumni salary before the MBA to now (Financial Times, 2016)

<table>
<thead>
<tr>
<th>#</th>
<th>Business School</th>
<th>Country</th>
<th>Average salary</th>
<th>Salary increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Harvard Business School</td>
<td>USA</td>
<td>$180,183</td>
<td>96%</td>
</tr>
<tr>
<td>2</td>
<td>London Business School</td>
<td>UK</td>
<td>$155,754</td>
<td>97%</td>
</tr>
<tr>
<td>3</td>
<td>University of Pennsylvania: Wharton</td>
<td>USA</td>
<td>$172,699</td>
<td>90%</td>
</tr>
<tr>
<td>4</td>
<td>Stanford Graduate School of Business</td>
<td>USA</td>
<td>$178,929</td>
<td>80%</td>
</tr>
<tr>
<td>5</td>
<td>Insead</td>
<td>France / Singapore</td>
<td>$155,546</td>
<td>86%</td>
</tr>
<tr>
<td>6</td>
<td>Columbia Business School</td>
<td>USA</td>
<td>$170,849</td>
<td>106%</td>
</tr>
<tr>
<td>7</td>
<td>Iese Business School</td>
<td>Spain</td>
<td>$144,782</td>
<td>121%</td>
</tr>
<tr>
<td>8</td>
<td>MIT: Sloan</td>
<td>USA</td>
<td>$157,360</td>
<td>97%</td>
</tr>
<tr>
<td>9</td>
<td>University of Chicago: Booth</td>
<td>USA</td>
<td>$162,791</td>
<td>97%</td>
</tr>
<tr>
<td>10</td>
<td>University of California at Berkeley: Haas</td>
<td>USA</td>
<td>$159,140</td>
<td>88%</td>
</tr>
<tr>
<td>52</td>
<td>University of Cape Town GSB</td>
<td>South Africa</td>
<td>$144,744</td>
<td>76%</td>
</tr>
</tbody>
</table>
South Africa: MBA Rankings
PMR conducted their annual South African MBA ranking survey in June/July 2014

The survey comprised interviews with a random sample of 320 Human Resource directors, managers and line managers.

Interviews were conducted telephonically to understand how MBA programs performed on various measures which included academic knowledge, application of knowledge, communication skills, emotional intelligence, entrepreneurial skills and various other attributes.

The survey was conducted with listed and large companies, government departments and state owned enterprises.

The survey below rated the attributes on a scale of 0-10 where zero is poor, 5 is average and 10 is outstanding.
1. University of Stellenbosch (USB) 8.0
2. GIBS (University of Pretoria) 7.92
3. Milpark Business School 7.83
4. University of Cape Town (GSB) 7.83
4. — MCOM Business Management - University of Johannesburg 7.80
4. Potchefstroom Business School (PBS) 7.70
5. Management College of Southern Africa (MANCOSA) 7.66
6. Nelson Mandela Metropolitan University 7.65
6. Rhodes Business School 7.65
7. Wits Business School 7.60
8. Regenesys Business School 7.58
9. University of South Africa UNISA (SBL) 7.50
10. University of Kwazulu Natal 7.45
11. Regent Business School 7.11
12. Henley Business School 7.00
13. Turfloop Graduate School of Leadership (Limpopo) 6.90
14. School of Management (Free State) 6.80
15. Tshwane University of Technology Business School 6.50

Source: PMR MBA Ranking 2014
Costs of an MBA
• The top ranked business school, Harvard, has full-time fees starting at $98,400 (R1,18 million) and the University of Southern California, has fees starting at $93,223 (R1.1 million)

• The fees at USB, R225 000

• The fees at GBS (Cape town), GIBS & WITS, R200 000

• The fees at GBS (Cape town), GIBS & WITS, R200 000

• The fees at SBL (Unisa), R144 000

• The fees at MANCOSA, R144 000
RECIPE FOR SUCCESS

INGREDIENTS:

1 TEASPOON OF IDEAS
1/2 CUP OF GOODWILL
1 PINCH OF POSITIVITY
3/4 CUP OF IMAGINATION
1 LB OF LEADERSHIP
2 SPOONFULS OF TEAMWORK
1 CUP OF MARKET VISION
3 TABLESPOONS OF CHALLENGE
AND 1 BAG OF HOPE!
Upon successful completion of the MBA programme
• Apply integrative and critical thinking skills in the business environment
• Craft and implement business strategies
• Anticipate and analyse trends in the business environment
• Approach organisational decisions in an ethical, legal and socially responsible manner
• Operate in dynamic and complex domestic and global organisational environments
• Demonstrate knowledge in the functional areas of business
• Integrate theory and application from various functional areas in an interdisciplinary approach
• Contribute to the existing body of knowledge by applying research skills in undertaking research activities
• Make an expert contribution to the conduct of business in a particular area of economic activity

(MANCOSA, 2016)
The Pros of an MBA
Career Progression

• One of the key benefits of having an MBA is career progression

• Some companies want to see their management level employees have the accreditation

• Studies have shown that MBA graduates are more likely to achieve top management positions in Fortune 500 companies, compared to other employees in those organizations

Develop Professional Relationships

• One of the most overlooked advantages of an MBA program is the relationships that you form while studying

• The people that you will meet during your MBA program are invariably ambitious and career driven

• Because of the team work and intense environment of an MBA program, the relationships formed are very difficult to replicate otherwise.
Personal Development

- Money and a better job might be exterior benefits of an MBA program but the internal benefits are just as important.

- An MBA program is a fantastic opportunity for personality development and will push you to go outside of your comfort zone.

- Can help you to increase your confidence and ability to lead other people.

- Completing an MBA program also requires students to develop excellent time management skills. These attributes can help you to excel in your future career.
Opportunity To Switch Careers

• Many people who study for an MBA do so because they switch into another industry

• Having an MBA opens up opportunities in industries, which may not otherwise be available to students who have a different educational or career backgrounds

• One of the reasons that MBA graduates’ salaries are significantly higher than the national average is because of the opportunity to enter into more lucrative industries as a result of the qualification
Provides A Competitive Edge

- People that have an MBA immediately have a competitive edge over those who lack the qualification
- An MBA is an excellent way to stand out against other applicants when applying for a job
- Because of the work that goes into earning an MBA, employers recognize that holders of the qualification are disciplined and ambitious
- In addition there is knowledge that an MBA graduate can bring into an organization, MBA graduates rarely find it difficult to get hired.
Master Managerial Skills

• Many people who apply for an MBA do so because they would like to move into management but feel that they lack the skills to do so

• In an MBA program you will learn the skills to deal with real-life situations managing other employees

• There are few other academic programs which develop these management skills in the same way

• You will also learn how to use your role as a manager to advance the goals of the organisation as a whole.
Skills to Start Own Business

• Not everyone who studies for an MBA do so because they want to move upwards in an existing organization

• A significant proportion of people who study for the qualification, do so because they want to learn sound business skills

• The skills and knowledge taught in an MBA program can be invaluable when setting up and managing your own company

• Because of the case study emphasis in MBA programs, you can learn how to identify and solve real-life problems based on the experiences of other businesses
The Cons of an MBA
Cost

• Obtaining an MBA can involve a considerable financial commitment

• Tuition fees for an MBA program costs anywhere from R120 000 to R240 000

• This doesn't include other costs such as travel and textbooks that you also need to take into consideration if you are studying

• The relatively high costs of studying for an MBA means that the decision should not be taken lightly
Time and Commitment

• Studying for an MBA takes a maximum of two years

• This is a considerable commitment of time

• You need to consider the impact of this on both your life and your finances

• If you are working while you are studying then you need to be sure that you will have enough time available

• Studying for an MBA requires a high level of commitment and discipline

• You need to be sure that you have a supportive family or partner who understands why you may not always be available

(Prodigy Finance, 2016)
Conclusion

• Diverse cultures, languages and beliefs are a hallmark of the South African landscape

• This fusion of Western and African ideology forms the ideal platform to prepare for today’s global workplace

“South Africa’s reality is that our environment is far more diverse than many others and for this reason our business training needs to be relevant to that diversity,” notes Professor Adrian Saville of the University of Pretoria’s Gordon Institute of Business Science.

As the birthplace of world icons such as Nelson Mandela, Gary Player, Desmond Tutu, Johan Rupert, Mark Shuttleworth and many others.

South Africa is at the epicentre of a continental renaissance and is well set to provide students with the true MBA experience.
"Education is the most powerful weapon which you can use to change the world."

Nelson Mandela
Does an MBA really make a difference to your career?
THANK YOU