MBA program thrives on a local level

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News Editor

Is the Masters of Business Administration degree dying?

On a national level it is, according to Chuck Hickman, director of projects and services for the American Association of Collegiate Schools of Business (AACSB). Hickman stated that business schools are at the end of two decades of unprecedented growth.

"In 1991 business schools accounted for more than 23 percent of master's degrees," said Hickman. "Then in the last two years (1991-93), GMAT test (standard admission test for MBA) volume dropped 17 percent. It hasn't yet affected the number of degrees awarded. That takes a few years to show."

But on a local level, said James Lumpkin, associate dean of the college of business, USL's MBA program is thriving.

"We are not necessarily seeing that at our graduate program at USL," said Lumpkin. "In fact, since I took over the graduate program three years ago, we've had an increase in enrollment, quite a significant one."

One of the first things Lumpkin did three years ago was establish a one year MBA program, which USL did not have previously, although USL established its MBA program in 1975.

"There was a pent-up demand for that degree, so we saw an increase in that enrollment of 60 percent after that program was established. After that initial pent up program was satisfied, it came back down but at higher level than the original one was," Lumpkin stated.

According to Lumpkin, USL graduation rates are about four times higher than several years ago, graduating 40 to 50 students a year out of the MBA program.

Three or four years ago, the average number of graduates was 15.

Hickman stated, "Our throughput has increased quite dramatically, at the same time our enrollment is staying, so that's a significant accomplishment considering the overall environment that we are seeing."

According to Lumpkin, an additional 50 percent increase is expected in the fall with the new health care administration option in the graduate department that is being offered.

This comes on the heels of astounding growth in MBA programs that started in the 1970s. Universities jumped on the bandwagon, trying to keep up with student and employer demand. In 1974 there were 389 universities awarding MBAs. Today, there are 700.

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"Not all MBAs are created equal," says Hickman. "Prospective students and employers are being more selective about schools. Students need to ask tough questions, not just look at the rankings. Know what you expect and want from a school, and then compare the programs."

Stella Theriot is a graduate assistant in the business department and received her degree in Marketing in 1992. She has been in the program since 1993, and is planning on graduating in the fall.

"My friends that are in the program are in it because they are looking ahead to the year 2000 and on," said Theriot. "Even more degrees are going to be needed to be competitive in the business field, probably a Ph.D. So, a lot are coming right out of school and going straight into the MBA program."

Hickman adds that it was inevitable that the growth would have to level off eventually and that we are in a period of "market adjustment."

Another contributing factor that prevents many students from attaining a MBA is the cost. Many have their tuition paid by employers.

Lumpkin stated that of 98 percent of the working USL students in the MBA program, 66 percent of the students work full time.

"Our MBA is exclusively at night, with a few afternoon sessions. The average age of our student is over 30. The average working experience is over eight years. So, we have an older student who has significant work experience, many at a high level. It is meeting the needs of an unique group," Lumpkin said. "We meet the needs of the Acadiana region, that is our main goal."