Flex-Time for the MBA

Many business schools are responding to the mounting demand for MBAs that flex to fit a variety of schedules. But with the rush of so many new, alternative MBA programs to the market, some educators wonder whether they match the rigor and relevance of the traditional two-year, full time MBA that has for so long been the mainstay of business education.

As educators debate the issue, however, the market has already made its choice. Statistics show that in the U.S., for example, non-traditional programs attract the vast majority of MBA enrollments. In the 2002-2004 academic year, nearly 24 percent of MBA enrollments at AACSB-member schools in the U.S. were in traditional two-year programs, according to AACSB International. In 2005, that number slipped to slightly more than 23 percent. On the other hand, enrollment in part-time evening and weekend MBA programs at these schools ticked up to 63.7 percent in 2004-2005 from 61.2 percent in 2003-2004.

For students considering an MBA, the proliferation of alternative options is undoubtedly good news. Whether they are high-level execs, mid-career managers, second-career seekers, or stay-at-home moms, a program exists that will allow them to earn their MBAs without radically changing their lifestyles—or their incomes. Educators emphasize that the challenge for business schools is to design non-traditional MBA models that meet the needs of these students without sacrificing quality.

A Worldwide Trend

"Flexibility" has become a prominent selling point for MBA programs all over the world. Schools in the U.S., Canada, Europe, and Asia are targeting students who are struggling to strike a balance between their educational goals and their work and family lives.

In an emerging market like India, for example, the desire for a work-life-education balance is a relatively new phenomenon among students, says V. Pandurangappa Rao, co-director of the ICFAI Business School in Hyderabad. "In the past, few students returned to school once they began their careers; but that reality is quickly changing," says Rao. "India's booming economy is changing the usual pattern of education. Employees are realizing they need to learn new skills to be competitive," he says.

To meet this new generation of Indian MBA candidates, ICFAI has added new options to its programs. In addition to its two-year, full-time MBA, it now offers a three-year, part-time MBA program in which students meet evenings and weekends. The school also offers a one-year accelerated option. Both programs, Rao says, are gaining tremendous interest.

"Many aspirants want to pursue an MBA designation, but they do not want to leave their jobs," says Rao. "A full-time, two-year program simply takes too much time."

Some schools are actively seeking new pools of students who would be unable to pursue an MBA under an option suited to their individual needs. For example, the Graziadio School of Management at Pepperdine University in Los Angeles, California, recently launched its "Morning MBA." The 28-month program meets from 9:30 a.m. to 12:30 p.m. on Tuesdays and Thursdays and recesses for seven weeks during the summer. Tailored to stay-at-home moms who want to fit an MBA into their family responsibilities, the program has garnered attention in the national news.

"We've received the press because we're targeting a largely untapped and unique market," says Linda Livingston, dean of the Graziadio School. "We're finding, more and more, that our students have rigorous and demanding work and family schedules that require the need for more creative program alternatives in terms of scheduling and content. Many of our clients, with options like the Morning MBA, is a necessary response to the rapidly changing business world."

Revenue Realities

Although educational rigor and excellence are top priorities for these schools, there is still another factor to be considered: revenues.

After all, business schools may bank on their reputations on their traditional full-time, two-year MBA programs, but they often bank their finances on the more profitable arena of part-time, evening, and online options, says Dan LeClair, vice president and chief knowledge officer for AACSB International.

"In many cases, full-time traditional programs are not making executive, and other types of hybrid MBA programs are often a school's key opportunities for financial support. No business school can dismiss the fact that the market pays for what it wants," agrees James Danilo, dean of Villanova University's School of Business in Pennsylvania and president of the MBA Roundtable. "At the end of the day, business schools feel pressure to deliver revenues," he says. "As much as I'd like to think we're all academic purists, we still have to fill the seats."

Filling those seats has become more difficult as students have more and more MBA choices. Business schools, especially those in major metropolitan areas, are facing new competition from all quarters, says Jana Allen, director of Baylor University's executive MBA program in Dallas, Texas, and chair for the Executive MBA Council's board of trustees.