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## Your Career: MBA isn't a guarantee

Many top executives succeed without advance degrees, recruiters say

By *Eve Tahmincioglu*

Melanie Holmes is an executive for a Fortune 500 employment services firm and two years ago, at age 55, she decided to go back to school and get her MBA. Why? It is not what you think. "It was a personal thing. I just wanted to achieve it," says Holmes, a vice president for Manpower Inc. "I didn't expect anything differently in my job nor did I expect to go higher up the ladder." Holmes is one of those executives who doesn't believe you need a master's degree in business administration to become successful in business. And she's living proof of that, having moved up the corporate hierarchy after starting out as a secretary. Lately it seems that everyone and his or her brother has been going back to school to get an MBA, but the importance of this higher degree is getting diluted, and it's never really been a guarantee you'll get that plum executive job.

Believe it or not, the majority of CEOs running major companies in the United States do not have MBA degrees. Research done by BusinessWeek magazine in 2006 found that fewer than one in three executives who hold high level positions in corporate America had an MBA. And a more recent poll conducted by Pace University professors Aron Gottesman and Matthew R. Morey found that out of 488 top companies surveyed only 159 had CEOs with MBAs at the helm. The study also uncovered an interesting fact that may sound counterintuitive: There was no evidence that having a CEO with an MBA helped the stock-market performance of the firm. In fact, there was some marginal evidence that it might hurt, says Gottesman. Even though tough economic times are usually thought of as a great time to go back and get some more education, plopping down big bucks on an MBA doesn't mean doors will automatically open.

"Colleges seem to churn out MBAs like tissue paper," says Joanna Smith Bers, managing director and talent officer for New York-based DB Marketing Technologies. "There may have been a time when those three letters actually distinguished job candidates from the pack, but no more. As a senior manager at a business insights management

consulting firm, I have found that the MBA is more embellishment than substantive." While there are still some jobs, particularly in the financial sector, where an MBA is usually a must, recruiters and hiring managers say they're looking for applicants with real-world experience who have actually run something.

A higher degree can surely open doors, says Jonathan Mazzocchi, a partner in Wyman's accounting and finance division, but "experience will always trump MBAs." There are companies that are looking specifically for MBAs and ask headhunters for that specific credential. An MBA is a huge benefit in engineering and healthcare, says Kevin Nussbaum, president of CBIZ Human Capital Services. Michael Jalbert, president of recruitment firm MRINetwork, adds, that an MBA can help "where you have a real need for financial skills, like GE Capital, or a lot of marketing executive positions that have a need for analytics and strategic development." But even among the companies that ask Jalbert for a candidate with an MBA, they'll often add the caveat that, "if you find a great candidate without one we'll take a look."

Jim Buckmaster, CEO of Craigslist, has hardly been hurt by his lack of an MBA or any real formal business training. In fact, he sees his lack of business credentials as a plus. Buckmaster questions the very meaning of success and in turn questions the very heart of what MBA programs espouse. "Generally speaking," he says, "the discipline taught to MBA students is useful in getting ahead in the business world. As a company we are not trying to get ahead in the business world, and we're not looking for individuals trying to get ahead in the business world." His goal, he adds, "is trying to provide as useful a service as possible for as many people as want or need it." And, he points out, it's "interesting perhaps that Craigslist, which has never focused on business success per se, is widely viewed as being more successful as a business than 99 percent of Internet companies that have ever existed, virtually all of which did focus primarily on being successful as a business, the large majority of which have gone bust without making a dime." Indeed, say recruiting experts, it's all about what a job candidate can deliver, especially if their goal is to make it to the corner office.

"What makes a good leader?" asks **Dora Vell**, an executive recruiter from Waltham, Mass. "I look at successes, career progress, the quality of the organizations they've been with, and what they've actually accomplished." In 11 years, she adds, she hasn't had one client ask for an MBA. "They ask, Can this person help my business get from point A to point B? That's what hiring managers want to know," she explains. Vell said she doesn't want to belittle the value of basic marketing, accounting and financial training an MBA can provide, and the definite boon to your resume if you were lucky enough to graduate from a top business school. But she advises candidates to go with their passion. Learning about people and how to be a great leader, she explains, can happen outside of the traditional business sphere. "Some people get business ideas from philosophy or studying religion. It all depends on what you're passionate about," she says.

Many of the CEOs I interviewed for my book, "From the Sandbox to the Corner Office," did not have MBAs and some talked about unusual sources of inspiration. Tom Glocer, the CEO of Reuters, doesn't have an MBA, and told me the philosophical writings of Balzac served as a guide for him in the business world: "With Balzac, ideas don't necessarily only come from a very direct path. Often the bigger lessons in life get learned in slightly indirect or abstract ways. If you're thinking of a problem in a narrow space, often the solution lies in reorienting in the way you approach the problem, and you end up solving a general set of problems."

If you can find something that motivates you and hones your leadership potential, that is what is most likely to help you climb the ladder, **Vell** says. To that end, you could enroll in an MBA program, but you also could take an occasional class to help you better understand aspects of business where you may need help. "It's not the degree. It's what you do with it," she continues. "An MBA is just noise."

Manpower's Holmes says she doesn't want to discourage anyone from getting an MBA, but that students should understand there are limits to how much it can help. That said, there were actually some unexpected benefits that materialized after she got her MBA. "It doesn't help me every day, but it made me feel smarter and gave me more confidence," she admits.

*Dora Vell is the CEO of Vell Executive Search, a premier retained technology executive search firm in Boston. Ms. Vell is an internationally recognized expert in recruiting technology executives including: CEOs, COOs, CTOs, CMOs, CROs, board members and others. She works with VC-backed, PE-backed private companies and public companies. She can be reached at dora@vell.com.*