Count the Return on Potential M.B.A.

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One of my favorite professors of all time once told me that the correct answer to any business question is: “It depends.” And you know what? I think Dr. Daniels is correct. The right answer to any question depends on your assumptions. These days, all of us are re-evaluating our assumptions. Will I still have a job six months from now? Or for many, will I find a job in the next six months?

While the pundits keep saying that economic recovery is on its way, many people are still feeling the pain of the worst downturn in our lifetime. And many of us are re-evaluating our career paths. Which brings me back to the original question: Is getting an M.B.A. (especially in this economy) really worth it?

As any good business person knows, it is important to analyze the return on investment when making a big decision. The same holds true when deciding whether to pursue an M.B.A. or other graduate degree.

For some, return might mean achieving a certain level of professional success or even personal satisfaction, but as a former banker, my idea of return on investment is measured in dollars.

With that in mind, the first step in the analysis would be to decide whether you want to go full time or part time. While attending business school full time is a quicker path to the diploma, it typically means foregoing meaningful income while enrolled. Most people these days can’t afford to do that.

Enrolling in a part-time M.B.A. program allows you to pursue your degree and still work full time. Another question to consider is whether you are interested in enrolling in a traditional campus-based program or an online version. Once you have made the decision on what format to pursue, you should ask yourself whether an M.B.A. will result in a higher-paying job.

While there are exceptions to every rule, consider this: According to the U.S. Department of Labor, median weekly earnings for Americans with a master’s degree who are employed full time are 26 percent higher than that of workers with only a bachelor’s degree.

Payscale.com takes this type of analysis one step further. According to the Web site’s survey, people with an undergraduate degree and five to nine years of work experience have a median income of $54,482 while persons with an M.B.A. and the same amount of work experience posted a median income 35 percent higher at $73,367.

What do all of these numbers mean? Well, if you made a $15,000- $20,000 investment in your education — the cost of getting an M.B.A. at Georgia Southern — the probability of a positive return on investment is good and the payback period is likely short.

Having a master’s degree also appears to be an effective buffer against unemployment — the unemployment rate in 2008 for people with master’s degrees was only 2.4 percent.

Today, the marketplace for M.B.A. programs is huge. Long gone are the days when you had to quit your job to pursue this type of education. M.B.A. programs come in all forms and formats, including those offered exclusively online, partially online or completely in-person.

These days, most universities have multiple M.B.A. formats, including those that cater to working professionals. As a result, getting an M.B.A. is not only feasible, but also more attainable than ever before. And with graduate tuition rates in Georgia among the most affordable in the region, getting an M.B.A. might just be worth it — even in a down economy.

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