

IBM opts for online MBA

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By Rebecca Knight

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Peter Lynt, vice-president for global process delivery at IBM, does not have an MBA from Northeastern – nor from any other school for that matter. But he thinks that the degree is essential in today's business world.

"I chose to work harder in my career to get where I am today," he says. "But I do believe that having an MBA rounds you out, makes you more competitive and it helps you understand the dynamics of the global marketplace."

This is precisely why Mr Lynt has helped to set up an MBA programme for the technology company's most talented managers in India.

The company recently partnered with Boston-based [Northeastern University College of Business Administration](#) to create an online degree course, which makes it possible for IBM employees based in Mumbai, Bangalore and New Delhi to earn an MBA without disrupting their careers.

"We wanted to find a way to enhance the talent pool in India by enabling our key people to further their educations," he says.

Sixteen IBM employees have participated in the programme and a further 14 are taking part now. IBM defrays the cost of the degree by paying for more than half the programme's tuition and fees. Northeastern CBA charges \$1,175 per credit.

"We subsidise it but we want them to feel ownership of [the degree]," says Mr Lynt.

So far, the programme has "resonated very well" with Indian employees, he adds. If it succeeds, IBM may bring it to other countries. "If the programme reaps the benefits we hope it will, we will expand."

The programme, which began this year, represents Northeastern CBA's first concentrated move overseas. John Fernandes, president and chief executive officer of the [Association to Advance Collegiate Schools of Business](#), the US-based accrediting body, contends that, if the programme is considered effective, others will follow.

Tackling the work, online study balance

It is not easy juggling working full time at IBM with a demanding online MBA programme through Northeastern University College of Business Administration in the US. But Hironmoy Ghosh is already applying lessons from his classes to his job.

An early course about organisational behaviour, for instance, helped him better understand his team's dynamics and his employees' work styles; a class on corporate ethics helped him steer "the culture down to [his] direct reports"; and a

“If this programme is viewed to be successful, you’ll see a lot of copycats very quickly – and not just in India,” he says, adding that this type of programme could be popular in any country where the business education system is “underdeveloped”.

Mr Fernandes says that, because the programme is “purely online and delivered in a distant environment”, Northeastern CBA must work harder to ensure quality. “At some point, video conferencing will have enough capabilities that remote assessment of a student can be done,” he says.

“As it becomes more prevalent, there will be more safeguards that you’re conferring a degree on the right, capable person that’s earned that degree.”

Thomas Moore, dean of the CBA, says he came up with the idea for the programme after speaking to Mr Lynt, who studied as an undergraduate at Northeastern, about the difficulties IBM faced maintaining a high-quality workforce in India.

“By getting these high potential managers into an MBA programme, we’re adding value to IBM and helping the company recruit and retain workers,” says Prof Moore.

Developing the talented

The partnership between IBM and **Northeastern University College of Business Administration** to offer India-based IBM managers an online MBA programme aims to help IBM attract, keep and develop talented employees.

“We want to round out certain individuals’ capability as they grow into executive management,” says Peter Lynt, of IBM. The employee attrition rate in India is the highest of any country in which IBM operates. The entrepreneurial nature of its economy may mean that working for a global enterprise is unappealing to many workers.

“There’s a lot of opportunity and there are new start-ups,” says Mr Lynt. “It’s difficult to retain key people.”

The programme’s objective is to change that. Last year, IBM nominated workers with the greatest potential for long-term growth to enroll in the MBA programme. Those workers submitted a letter of recommendation from their supervisor and an application and were interviewed in India by a school representative.

The online MBA programme Northeastern created for IBM’s India operations “is a natural extension of the online MBA programme the school launched in 2006”, according to Mike Zack, executive faculty director of online learning for the college’s graduate business programmes. “It’s the same classes, the same content, and same faculty.”

The school’s online programme is targeted at working professionals who require the flexibility of a strictly web-based curriculum. Today it has more than 650 enrolled students, about 90 per cent of whom are American, and most participate in the programme from the US. The typical online student at Northeastern is in his late 30s, with 13 years of work experience.

Similarly, the IBM India programme is targeted “at a fairly senior band of employees,” says Prof Zack. “It’s tailored to the company’s emerging senior management. These are students who have significant work and managerial experience. They are highly motivated and know how to manage their time.”

The course of study is the same case-based curriculum as Northeastern’s traditional part-time MBA. Students meet their professors in virtual office hours each week in real time but the bulk of interaction takes place via email, conference calls and blog postings.

Prof Moore says the programme keeps CBA’s faculty on their toes. “They’re learning lots of things from their students and staying on the cutting edge of what’s going on at IBM.”

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course on finance – Mr Ghosh works in operations – helped him understand “the various cost metrics the company is driving”.

“It gives me the perfect opportunity to practice what is in the book and find out in real time if it actually works – and then the chance to correct it, and better it, through the interaction with others in the group,” says Mr Ghosh, a student based in Pune.

Mr Ghosh studies at weekends and uses free time at work to catch up on reading. The course requires self-discipline, he says.

“There is no scope to leave some portion to be covered the next day, as it simply piles up. It is different from a traditional classroom as the onus of learning and finishing the task is on you. There will be no one to ask you for a daily update.”

Shuilu Dar, a human resources professional at IBM’s office in Gurgaon, describes the online format – which combines video-based assignments with online quizzes and exams – as “invigorating”.

“Traditional classroom style learning can tend to get a little tedious but online learning, though difficult, gives you the flexibility to learn at your own pace,” she says.