

# Graduates find small is beautiful

Big companies are not always the best way to earn big bucks, says **Widget Finn**

**A**n MBA has long been perceived as the fast route to big bucks in big business but, in reality, an increasing number of MBA graduates are opting for roles in small or medium sized companies (SMEs). With the proliferation of MBA programmes, there just are not enough corporate employers to go round, while the economic downturn has meant that large organisations are trimming their staff sizes rather than taking on expensive graduates.

That is not necessarily bad news. Figures published by the European Union show that SMEs make up 99 per cent of existing European enterprises, so there is plenty of scope to move into this sector. A recent survey from the Graduate Management Admission Council indicated that up to 19 per cent of all MBA alumni globally are at present working in small companies. The salaries are not as high as those offered by FTSE 100 companies but an MBA graduate is more likely to progress swiftly in a smaller enterprise.

With calls from the Wilson Review for UK universities to contribute to the country's economic and business development, business schools should be in a strong position to respond.

It would be logical for their careers officers to focus on this sector as potential employers but the FT and other rankings are a strong disincentive. Professor Susan Hart, Dean of Strathclyde Business School, feels aggrieved. "Salary levels in smaller businesses cannot compete with the corporates, which is what the rankings are about," she says.

Few MBA programmes in the UK are exclusively designed around the issues of small businesses, although the need for developing managers in

this sector to grow the national economy has been recognised in other countries. The University of Leipzig has had an MBA for small businesses for 20 years, while Nyenrode Business Universiteit, in the Netherlands, recently launched an international MBA for SMEs in Finland to develop the international potential of Finnish businesses.

If you are moving from a corporate background to the SME sector, or are already working in a small business — or maybe want to start your own — should you seek out a specialised MBA for managers in small businesses or opt for a general programme?

Dr Kerry Sullivan, MBA director at Surrey Business School, asserts that the awards are nowadays suited to corporate and start-up alike. "The core skills are transferable to any environment," he says.

SME issues have high priority in the MBA programme at the Desautels Faculty of Management, McGill University, Montreal. And Sujata Madan, director of the programme, argues that they require unique skill sets. "You need to be comfortable wearing multiple hats simultaneously. And you must have the confidence to gather around you people who are smarter than you without being threatened," she says.

Attilio Giaquinto's Turin-based architecture practice secured a building project in India through his contacts at ESCP Europe Business School. "My skills are in architecture, so when I set up a business I needed to learn the practicalities of managing it," he says. "I did my part-time MBA modules in five centres, with students from 29 countries, gaining insight into doing business in different cultures and markets."

Encouragingly, the general MBA appears to provide much of what many managers in small businesses require.

Arnaud Mansard did an MBA at Rouen Business School in France to take over his family's cosmetics business and grow it internationally. "In a small business you need a broad set of skills. The MBA aims to make you good at everything, rather than excellent in a small area," he says.

## Sense of renewal

### CHRIS O'CONNOR

Chris O'Connor had no plans to join a small business when he took an MBA focusing on finance at Chicago Booth Business School.

He joined Deutsche Bank and was transferred to London where he invested in a client, a recycling company called Renew. He took the plunge from big company to start-up, joining Renew as chief finance officer. "I discovered I needed all my MBA skills because in a small business you have so many roles," he says. "I never thought what I learnt about labour negotiation would be relevant but recently I hired 11 staff to launch our newspaper recycling pods in the City."



## A perfect mix

### OLIVER RANDALL

After working as an accountant for Nestlé Waters for four years, Oliver Randall planned to start an advisory firm providing services for small

businesses. "I realised that I needed to break out of the functional mindset and acquire a diverse set of skills," he says. "I chose Manchester Business School's Executive MBA because it provides the core subjects, then I selected the electives I needed to help build my business."

Randall found the mix of students' backgrounds from large and small organisations meant lots of crossover. "We all learnt from each other, which is the value of a general MBA."

