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Can the MiM become a global brand?

Della Bradshaw looks at the widespread (if confusing) growth of the one-year MiM degree

Ask any European business school dean to name his or her school's flagship programme and almost all will give the same answer: the Masters in Management degree. The number of European business schools that list their MBA as their flagship degree can almost be counted on one hand.

It is a situation that completely baffles academics in the US, for whom there can be only one answer to that initial question: the MBA.

So back in 2009, many of us that watch the business education scene were intrigued by an emerging trend in the US. Promoted by two of the country's most innovative business schools, MIT Sloan and the Fuqua School at Duke University, it was the emergence of the one-year masters degree in management.

For those of us who had been tracking the inexorable rise of the MBA degree outside its US homeland, this was initially welcome news. For the first time, here were US business schools adopting a format that had been created in Europe through the implementation of the Bologna reforms a decade earlier.

It was then that the confusion set in, however. What rapidly became apparent was that the degrees from Sloan and Fuqua were very different to each other. They had different names, a different structure and different target markets and admissions policies.

Both eschewed the Masters in Management (MiM) sobriquet that has become the branding of these masters degrees in Europe, adopting the name Master of Science in Management Studies (MSMS) in the case of Sloan and Masters of Management Studies (MMS) at Fuqua.

But while the Fuqua programme was aimed squarely at those straight out of undergraduate degrees, the Sloan MSMS was intended for more senior managers, specifically those that had already studied for an MBA at selected schools, such as HEC Paris.

The launch by more and more US business schools of one-year masters in management degrees only added to the muddle. Most, such as those at Kellogg (MSMS), Notre Dame (MSM) and Michigan Ross (Master of Management), were squarely aimed at the pre-experience market.

Then in 2012 Yale School of Management followed the MIT model and launched a masters degree for those who had already studied at its partner schools in the Yale Global Network. Initially dubbed a Masters in Management, Yale later decided to call the degree a Masters in Advanced Management to differentiate the programmes from traditional European MiM degrees.

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As these programmes began to flourish, what emerged was that the rationale behind the pre-experience degrees in the US was very different from the motivation behind similar degrees in France, Spain or the UK.

In Europe MiMs increasingly gained a standing as a conversion degree, better equipping those with undergraduate qualifications in philosophy, engineering or French to enter the corporate world.

The timing of the initial launch of these programmes – 2009 – was telling. So, too, was the fact that for several US business schools, applications were only accepted from undergraduates from their parent universities. What rapidly became clear was that these one-year degrees were being used by US universities to give their graduates an edge in the appalling job market.

Of course this was also the reason behind the sudden burgeoning of MiM degrees in Europe, as well as specialised masters degrees in accounting, finance or marketing, although the strategy here was more likely to be about making money than bolstering the employment statistics for a university's undergraduate population.

But it quickly became apparent that US business schools might have a second motivation in launching these pre-experience masters: to defend their full-time MBA programmes.

This became clear at the Kellogg school at Northwestern University, which has for decades run an accelerated MBA programme alongside its traditional two-year degree programme. Those entering the one-year MBA are required to have completed an undergraduate business degree or hold similar qualifications or exemptions. Kellogg's MSMS fulfils this requirement perfectly.

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So, in a couple of years' times, the question for those who graduated with the MSMS from Kellogg and want to study for an MBA will be straightforward. Do they get their MBA in one year from Kellogg, or invest the time and expense to go to Harvard, Chicago Booth or Wharton for two years?

Other US business schools are likely to follow suit. Indeed, it is probably also a topic of discussion at London Business School, the only top-ranked school in Europe that has both a one-year masters degree and a two-year MBA.

Meanwhile in Canada the market for pre-experience masters degrees in management was also beginning to take off. There the divergence was between those schools that taught the degree as a conversion degree, attracting students from many different undergraduate programmes – Ivey and UBC Sauder fall into this category – and those that limit admissions to those with an undergraduate business degree, such as that taught at Queen's University.

To date there has been limited take-up of the Masters in Management degree in China although the School of Economics and Management at Tsinghu University, undoubtedly one of China's most prestigious institutions, is a member of the Cems network, which originated with a handful of top European business schools. The Hong Kong University of Science and Technology is also part of the Cems network while Fudan in Shanghai is launching a two-country degree with London Business School.

The biggest disincentive for Chinese business schools is that under Chinese government rules, they cannot charge the high fees that they can for MBA degrees.

However in the short-term, neither the US nor China are likely to undermine Europe's stranglehold on the MiM, though there is one country that might – India.

Photo courtesy Grenoble Ecole de Management

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Any changes in the Indian education system are particularly significant to European and North American business schools because Indian students, along with those from China, are often the financial mainstay of their institutions. Now a change in the Indian government, combined with Indian business schools' aspirations to raise their international profiles, could mean a very different level of competition.

The flagship institutions in the Indian business school market, the elite Indian Institutes of Management, have so far operated outside the traditional Indian university system. Instead of offering degrees for their two-year programmes, which are largely populated by those with little or no work experience, the IIMs have issued a PGP (Post-Graduate Programme) certificate.

Changes to the nomenclature of these qualifications, which look set to come into place in 2015, mean the degree that to all intents and purposes looks like a MiM, could be renamed as an MBA.

The move is understandable. After all, the MBA is a recognised qualification worldwide and young Indian managers want a portable degree with true international currency.

Photo courtesy London Business School

But what does all this mean for the European MiM? Is this epithet established well enough to become a global brand?

A look at the history of the MBA shows that the consolidation of the brand is possible but could take a long time. Both Kellogg and Yale, for example, have only adopted the term MBA for their two-year post-experience degree in the last 15 years or so. The question is, will Europe's business schools be able to determine the agenda?