

## The MBA Youth Movement

**B-Schools are trying to induce undergrads to move directly into MBA programs. The goal: A more diverse student body**

After graduating from a high school for gifted students, Joshua Gerlick dropped out of Carnegie Mellon University's pre-med program in Pittsburgh to pursue his dream: Launching a consulting firm with a focus on multimedia design. When his startup went bust in 2001, Gerlick realized that while he had a passion for business, what he lacked was the education. So he returned to CMU and transferred into the university's [Tepper School of Business](#).

He discovered CMU had once offered a five-year program for exceptional undergraduates to earn their bachelors degree in three years, then go directly into the two-year MBA program. The catch was that no one had been accepted in years because of the decade-long trend of requiring significant work experience of MBA candidates at top B-schools. Tepper MBA students typically have had four or five years of work experience.

Gerlick petitioned the school, wound up on the front page of its newspaper, and was accepted to the five-year program, paving the way for other undergraduates. He completed his MBA at 24 in May, 2004, and is now running EA Devices, a biomedical-device outfit in Pittsburgh.

**GAINING MOMENTUM.** Gerlick's experience is not as unusual as you might think. These days, many B-schools are reaching out to graduating seniors, encouraging them to think about, and perhaps apply to, MBA programs. These schools now believe that by appealing to younger applicants, they may be able to attract a more diverse student body.

Among the MBA candidates these schools covet are entrepreneurs like Gerlick; women who want to get MBAs right away so they can spend their late twenties and early thirties focusing on having families; and minorities who often lack the financial wherewithal to leave a steady job and ante up the \$50,000-plus in required tuition. However, critics worry these younger MBA candidates will detract from the programs because they can't bring the weight of experience to classroom discussions and group projects.

So far, the number of undergraduates moving directly into MBA programs is small. But administrators expect the trend to gain momentum. For instance, in the Tepper School's 2004 incoming class of 151 students, 11 people joined directly after completing undergraduate programs. About 50 to 60 seniors in college apply to the Tepper MBA in a typical year.

**FILL THE VOID.** One reason behind the increase stems from the decline in overall MBA applications, which puts pressure on admissions offices to fill the void. B-schools have had particular trouble attracting women and minorities. Women comprise about 25% to 30%, and under-represented minorities (blacks, Hispanics and Native Americans) only about 6% of class populations at top B-schools.

But undergraduates are also showing more interest in business. Accounting, engineering, and business administration -- all of which are common precursors to an MBA degree -- topped the list of popular college majors, according to the Job Outlook 2005 survey by the National Association of Colleges & Employers. Educators say the latest undergraduates are introduced to higher-level curriculum and work opportunities than earlier generations. "I feel that by getting my MBA degree now, I am already ahead of the game," says Hoa Khuu, a first-year student at Tepper, who arrived just months after graduating from Ohio Wesleyan University with a B.A. in economics with a management concentration, and psychology.

The [McCombs School of Business](#) at the University of Texas at Austin had diversity in mind when it launched Jump Start for undergraduate seniors with outstanding academic records, says Daniel Garza, assistant dean for the school's full-time MBA Program. The school teamed up with various outfits, including Deloitte Consulting and Frito-Lay North America, to offer students three years' worth of employment at participating companies, followed by guaranteed admission to McCombs' MBA program.

**OFFERING PERKS.** Although the program is open to any undergraduate, the firms will be selecting finalists based on the diversity they are seeking when recruiting begins this fall. Until now, the school hasn't admitted any of the handful of college seniors who apply each year, says Garza.

[Harvard Business School](#) was among the first to pay extra attention to undergraduates. In the last five years, HBS' efforts have included offering information sessions, referral programs for alumni to point out exceptional future leaders, and panel discussions. In early April, HBS will hold an on-campus event to show 200 college students and recent graduates a mock case study in an MBA class.

This year, HBS also waived the application fee for college seniors, gave feedback to those who were rejected (which the school won't do for other applicants), and offered deferrals and postponements to some of them. "We're not trying to make a dramatic shift in the application pool, but it makes for an increasingly diverse class," says Michele Biamonte, assistant director of MBA Admissions at HBS. Harvard wouldn't disclose specific numbers, but Biamonte says a few undergrads have been accepted each year since these efforts began.

**"SLOW DOWN."** [Stanford Graduate School of Business](#) has also stepped up its efforts to woo undergraduates by visiting more than 80 colleges to discuss the merits of an MBA. The school also holds the Summer Institute to expose liberal arts and science undergraduates to management education. Vanderbilt University's [Owen Graduate School of Management](#) will offer a similar program called Accelerator for the first time this summer. Other schools like the [Kenan-Flagler Business School](#) at University of North Carolina at Chapel Hill are offering global programs to undergraduates based on the programs they have offered MBAs for years.

Not every school considers adding more undergrads to the MBA mix a good idea. B-school-style collaborative learning requires students to have work experience from which they can draw, says Kate Klepper, dean of graduate admissions at Babson College in Massachusetts. That's one reason the [Carroll School of Management](#) at Boston College discourages undergrads from applying directly to the MBA, says Richard Keeley, associate dean of undergraduates at Carroll. "A part of me, as a dad with kids near college age, wants to tell students," he says, adding: "Slow down. Enjoy these years you have. The MBA is a chance for you to re-engineer yourself at a later date."

Still, like B-schools, corporations are looking to hire from a more diverse group of MBAs. And corporate recruiters say they recognize women and minorities might find it easier to go to B-school right after receiving a bachelors degree. Plus, notes Julie Taylor, director of commercial development at General Electric ([GE](#)): "An MBA program can be more transformative at an earlier age, and that's not a bad thing for recruiters." For those reasons and more, the youth movement among MBA students is likely to continue.

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