

MBA Crystal Ball

Why hiring executives from one year GMAT MBA programs in India is a good idea

By Sameer Kamat at | Monday, February 16, 2015 | Source: mbacrystalball.com

It's not just the students who are confused about difference between a regular 2 year MBA in India for freshers and a GMAT-based MBA for executives. The lack of awareness extends to HR folks and recruitment managers working in leading companies as well.

Srini (name changed) who worked with us this season, got into a reputed full-time 1 year Indian MBA for executives along with a few international programs as well. Like most folks joining such programs, after graduating he's keen on exploring new career opportunities in different industries. He chose to attend the Indian MBA program over an overseas MBA.

But his initial interactions with Indian recruiters and the conflicting signals he's received have left him a little tense.

'As an industry leader, how do you consider guys like me with 5 years of IT experience coming into marketing?' Srini asked the senior operations manager from a well-respected Indian FMCG company.

The manager had an optimistic response. *'It does not make any difference to me, as long as the candidate is good we cannot afford not to take him,'* he said. *'I screen the applicant profiles and then shortlist them based on a case study. The remaining aspects are cleared in the interview.'*

Pretty rational and wise response, we thought. And then Srini shared the curt and contradictory response from the HR team within the same organization, *'We only recruit freshers from Indian MBA programs and offer them management trainee roles.'*

This effectively knocks all the one year full-time MBA programs out of the race as the average experience of graduating students would be 5-6 years or more. If the HR team slams the doors on talented and mature executives, Mr Manager who was keen to hire such guys can't do much.

Indian B-schools – like the IIMs (IIM-A PGPX, IIM-B EPGP, IIM-C PGPex, IIM-I EPGP, IIML IPMX), ISB (PGP), XLRI (GMP), SPJIMR (PGPM) and others – offering full-time one year MBA for executives are trying their best to convince companies to come to campus and hire their graduates.

But within the Indian business world, where fresher MBA hiring from the traditional Indian 2 year MBA programs has been the norm, it's a challenging task to change the entrenched mindsets.

So, we thought we'd use the MBA Crystal Ball platform to help Indian Bschoools and their alumni in their efforts to create awareness among the MBA recruiting community.

In this article, we share reasons why it makes solid business and commercial sense for Indian companies to recruit experienced executives and give them positions of responsibility.

7 Reasons to hire executives from the top full-time one year MBA programs in India

1. Experienced executives can hit the ground running

The one year MBA format is meant for seasoned executives & professionals who've already earned their stripes in their respective fields before coming back into the MBA class.

Unlike many 2 year MBA students from Indian MBA colleges who've had very little (or no) exposure to the business world and would need a lot of hand-holding in the initial months, 1-year MBA students have been there and done that for several years.

They know how the gears turn in big companies, the challenges that can come up and how to get things done despite hiccups.

If you are hiring them in roles where they haven't had direct exposure, there's surely going to be a learning curve. But having gone through steep learning curves in various disciplines over the last 1 year put such professionals in a better situation.

2. They will fit into your company culture

Executives studying at IIM, ISB and other leading bschools have left behind the homogenous corporate culture of their previous employer to embrace diversity.

They've spent a whole year in a completely new culture where (by design) no single industry or role dominates. Every student brings in perspectives and attitudes from a myriad mix of industries.

Though every B-school does have its own definitive culture, each incoming batch pretty much re-writes the culture code for their class.

After going through this experience, it's much easier for such students to accept and adapt to the culture in your organization.

3. Your RoI will be higher

Human Resource Development (HRD) is among the most critical, expensive and risky investment for people driven organisations. After all the investment you make in your employees, nothing stops them from joining a competitor.

Graduates of one year programs have already invested a huge amount of financial (and emotional) resources. Far more than what you might invest on any single employee in their professional lifetime. And they've done this even *before* stepping into your organisation. Recruiting them from campus gives your company access to all the theoretical and practical business insights they've picked up, minus the huge training bill.

They are likely to stay on longer as well. Here's why. Unlike experienced professionals who might get recruited from the market, one year MBA students are generally looking for a different role and the opportunity to pick up new skills.

They are less likely to go job-hopping purely for money. Give them the right environment and freedom, and your re-hiring costs (HR personnel costs, commissions paid to headhunters) could go down in the long run.

All this can make the RoI highly attractive for your HR department.

4. Your mid-management resource pool will become stronger

This is generally the weak area for even the best companies. While the HR department over-focuses on recruiting employees for fresher and junior levels, the mid-management space is generally ignored.

The company management team expects that some of the employees who joined their company straight out of college will stick around long enough to take on mid-management roles.

The flip-side of this strategy is that the company ends up having to choose people for roles, not because of their fitment for that role, but just because they've been there for years and shown loyalty.

Whether it was out of loyalty or a lack of market demand for their stagnating skills is an uncomfortable question most HR recruiters wouldn't be bothered about.

5. The Bschoo screening process has made your HR team's job easier

The bulk of resumes floating around the internet, including online job search engines, are filled with spammy, low quality CVs.

Outsourcing the search to placement agencies may not have any perceptible advantage either, as many rely on the same online repositories to source their leads. It's not unusual for professionals looking for jobs to get calls and emails from numerous head-hunters for the same position in the same company.

Instead of depending on these low-quality sources for filling key managerial positions, you'd have better luck visiting one of the reputed MBA colleges in India for executives (like IIMA, IIMB, IIMC, ISB) that are known to have a highly selective admissions process.

Admitted candidates are tested on various dimensions – education, competitive exams, post-MBA goals, (written and spoken) communication skills and overall professional maturity & potential.

6. One year MBA grads are ambitious and committed

Ambition is what drove them to take the biggest professional decision of their career – to leave a good career behind, in their quest to re-skill themselves and get re-launched in the management space. It's a tough call that many who are comfortable in their professional life would never take.

Other professionals that you might find via traditional sourcing have been in their roles for too long to retain the enthusiasm.

For 1 year MBA students, the hunger to make a mark in their new role is higher. The pressure to make themselves and their alma mater look good is higher as well.

Rather than just going with the flow, they can bring fresher and innovative perspectives to your business. Their commitment to a brighter career is what will propel your company too.

7. Their skills are wider and deeper

Apart from their specialised technical skills, 1 year MBA executives have functional, managerial and leadership skills as well. That allows them to dig in deep in a few functional areas that they've specialised in (technology, operations, finance) and also bring in strategic skills that are relevant for the organization as a whole.

While freshers might be able to excel in 1 or more technical skills, you can depend on experienced executives to deliver more. They are better positioned not just to manage short term goals (like completing a project within a tight deadline and budget constraints), but also take on a bigger role in organization building initiatives such as business development.

The MBA experience has helped them polish their soft skills and become more presentable. So whether you are planning to pitch a new proposal or negotiate a deal, you can put them in front of clients without the nagging fear of whether they'll be able to carry the responsibility on their shoulders.

Next step: Breaking the ice

If you have apprehensions about recruiting experienced + newly minted MBA graduates, you could start with smaller engagements with B-schools (competitions, workshops, networking events) that give you an opportunity to interact with the experienced MBA students.

Compare and contrast them with the 2 year MBA students that you've been interacting with. Evaluate if there is (or isn't) a significant difference in the way they think, present and interact with you. See if they have interesting ideas that you can use immediately in your business.

It's not a question of fresher versus experienced recruitment. Both type of profiles can have their rightful place in the dynamic and ever evolving Indian business world.

Better 'lateral hiring' opportunities will give Srini and other experienced professionals like him a strong reason to choose 1 year MBA programs in India over international business schools.

At a time when the Indian economy is at the cusp of a significant upswing, we'd be better off utilising their newly gained management knowledge and skills in India rather than trigger another brain drain.

We'd also like to hear your thoughts in the comments below. Are there other concerns that you've heard from the recruiters? What initiative(s) is your bschool / careers team taking to bridge the expectation gap?

If you are a current student or alum of such programs that accept GMAT scores (instead of CAT), please share this post on social media and blogs. Help us take this message to every Indian employer who's currently on the fence when it comes to recruiting 1 year MBA grads.