
Hiring Managers' Perceptions of the Value of an Online MBA

Jeffrey S. Bailey, Ph.D.
Walden University
duffer_1973@yahoo.com

Larry V. Flegle, D.B.A.
American Public University System
lflegle@windstream.net

Abstract

Researchers have theorized that online degrees are less valuable in the perception of hiring managers. Identifying the factors which influence the hiring managers' perceptions and if obtaining a degree from a for-profit institution influences that perception is critical in designing programs and courses. The purpose of this study was to identify the factors that are considered as adding value to an online MBA.

Introduction

The business of higher education has changed with the introduction of for-profit education institutions. Breneman, Pusser, and Turner (2006) contended that over the next decade, for-profit institutions will experience rapid and significant growth. Despite this growth, Breneman et al. suggested the benefits of the higher education experience may be difficult to measure with precision in the short term.

It is important for education institutions to understand the impact of degree program content and hiring managers' perceptions of value. The purpose of this study was to identify the factors that are considered as adding value to an online MBA. The research questions addressed the perception of online MBAs from the hiring manager's viewpoint.

Several researchers, including Adams and DeFleur (2006) and Adams (2008), have researched factors that influence the perception of online degrees from the viewpoint of the manager or gatekeeper and the value the degree has in the hiring process. Yet, an examination of how these factors developed was missing in previous research. Data was gathered using surveys in the previous research.

Method

A qualitative study using grounded theory methodology was designed and conducted using 20 semi-structured personal interviews of hiring managers from a cross-sectional sample of business sectors in the state of Wisconsin. The following research questions were the foundation for the development of questions used in the interviews;

1. What are the perceived factors that give value to an MBA degree?
2. What are the perceived factors responsible for influencing the perception of the value between an MBA earned online and one earned in a traditional classroom setting?
3. How are the perceived factors that influence the value of a MBA different between for-profit and nonprofit schools?

Interviews were conducted with the use of an interview guide so that the same questions were asked to

each subject.

Interview results

The following are some of the interview questions and the results from the interviews conducted.

Should all MBAs be viewed as having the same value and why? Value for this question referred to the influence the MBA had as a credential in the hiring or promotion process. Of the 20 participants, nine responded that MBAs should be viewed as having equal value and 11 participants replied that they should not be valued as equal. Of the 11 that indicated that MBAs are not equal in value, five responses in some way referred to the value of experience as a contributing factor to the value. Experience from the respondents' viewpoint was the work experience between when the candidate received a bachelor's degree and an MBA. The degree granting school for the MBA was a factor for the other six that indicated unequal value of MBAs. In the group that considered MBAs as being equal, many did not elaborate when responding. Participants that responded indicated factors such as accreditation, automation, the prevalence of completing the degree, and some also commented on experience the applicant had.

What do you consider the most important factors that add value to an MBA? The responses from the participants indicated several themes/concepts. The interaction between the individuals in the program was noted seven times, many referring to the ability to hear different points of view from the other students. The ability to work in a group was mentioned once. The use of real world scenarios or group projects during the program was indicated seven times as an important factor for an MBA program. The real world scenario was the ability to take what was being studied in the course and apply it to real business situations, either where the student worked or in some type of group project using the information from the course. Other participants mentioned once each of the following should be: the flexibility to work at your own pace and timeframe, the final paper or thesis of the student, the reason the individual choose to do the MBA, concentration in a specialty, and what the university and student put into the program all added value to the MBA.

What is your perception of the value for an MBA earned online versus one earned in the traditional classroom setting? Of the 20 participants, 10 responded that they considered online and traditional MBAs as having equal value. The other 10 responses from the participants showed that four viewed the interaction between students as a factor making the traditional MBA more valuable, two believed the robust discussions in the classroom added a greater value to the traditional MBA, and one thought that the individual who did their MBA in the traditional setting was more serious about their degree. Two participants responded that they lack much experience with the online MBA, and it was difficult to comment. One respondent viewed the perception between online and traditional MBAs as a generational situation. The interaction between students and the ability to have discussions with other students was indicated six times as a value adding factor for an MBA. None of these respondents made any reference to the ability to use computers to have real time interaction and discussions with other students.

What factor(s) affect the value of online degrees if the degree is earned from a for-profit educational institution? All 20 of the participants indicated it would not make any difference to them whether the school was for-profit or not for-profit. The central theme that emerged from the question about the for-profit institution; as long as the school had accreditation the participants perceived no factors that would affect the value of the degree if the school were for-profit. One response questioned the ability to buy a degree in the for-profit environment.

The table below summarizes the central themes from the interviews as they relate to the research questions of the study.

<i>Central Themes/Core Categories to Research Questions</i>	What are the perceived factors that give value to an MBA?	What are the perceived factors responsible for influencing the perception of the value between an MBA earned online and one	How are the perceived factors that influence the value of an MBA different between for-profit and nonprofit
---	---	---	---

		earned in the traditional classroom setting?	schools?
Accreditation	X	X	X
School recognition	X	X	X
Specific area of study	X	X	
Group Interaction	X	X	
Real Life Scenarios	X	X	
Group Projects	X	X	
Not as Robust		X	
Student Experience	X		
Experience with a graduate from the school	X		
Generational	X	X	
Student Learning Preference		X	

Conclusions

This study was significant because of the increase in the number of institutions, both for-profit and nonprofit entering or are making plans to enter online education. How the perception of value is determined by the gatekeeper/hiring manager can aid individuals planning on using an MBA as a tool for career advancement or job placement to make an informed decision on whether an online MBA will meet their desired results.

This research identified accreditation, school recognition, group interaction, real life scenarios, and group projects as factors that influenced a hiring manager's perception of value for an online MBA. This research indicated that the acceptance of online degrees has improved. Participants in this study responded 10 out of 20 that the environment the degree was earned in (online or traditional classroom) would not be a factor in the value the degree held in the hiring or promotion process. This discovery indicates a shift toward the acceptance of online degrees. Educational institutions and students can now use this information to design, market, and choose the school that best fits their desired goals.

The participants of this study indicated the role of online education will be an increasing option for many individuals in the future. The value of education to many individuals will be the acceptance of that education as a credential for improving their social and economical life.

References

-
- Adams, J. (2008). Understanding the factors limiting the acceptability of online courses and degrees. *International Journal on E-Learning*, 7(4), 573-587. Retrieved from <http://search.ebscohost.com/login.aspx?direct=true&db=ehh&AN=34408850&site=ehost-live&scope=site>
- Adams, J., & DeFleur, M. (2006). The acceptability of online degrees earned as a credential for obtaining employment. *Communication Education*, 55(1), 32-45. doi:10.1080/03634520500343376
- Breneman, D., Pusser, B., & Turner, S. (Eds). (2006). *Earnings from learning: the rise of for-profit universities*. Albany, NY: State University of New York Press.
- Charmaz, K. (2008). *Constructing grounded theory: a practical guide through qualitative analysis*. London: Sage Publications.

Columbaro, N., & Monaghan, C. (2009) Employer perceptions of online degrees: a literature review. *Online Journal of Distance Learning Administration [serial online]*. March 1, 2009; 12(1) Retrieved from <http://search.ebscohost.com/login.aspx?direct=true&db=eric&AN=EJ869269&site=ehost-live&scope=site>

Creswell, J. (2007). *Qualitative inquiry & research design: choosing among five approaches* (2nd ed.). Thousand Oaks, CA: Sage Publications.

DeFleur, M., Adams, J. (2004). The acceptability of online degrees earned as a credential for obtaining employment. *Journal of Computing in Higher Education*, 16(1), 150-263.

Elearners.com (2009). Online colleges, universities, and schools. Retrieved from <http://www.elearners.com/colleges/colleges.asp>

Hussar, W., & Bailey, T. (2009) *Projections of Education Statistics to 2018* (NCES 2009-062). National Center for Educational Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC.

The CRW Top 100 (2009). Corporate Report Wisconsin. www.crwmag.com

Online Journal of Distance Learning Administration, Volume XV, Number II, Summer 2012
University of West Georgia, Distance Education Center
[Back to the Online Journal of Distance Learning Administration Contents](#)