

JJD

Lawyers, Is It Worth Getting an MBA?

MBA

30-SECOND SUMMARY

Whether looking to build a potential network of clients or sharpen business-strategy skills, most lawyers who pursue a MBA agree that it can expand career options. In terms of choosing a full-time or a part-time program, it is important to consider the ultimate goal. Those lawyers seeking to completely change careers and go into business will most likely find a full-time program in which they are fully immersed in the school to be the most beneficial. Although pursuing a MBA can be expensive and time-consuming, the benefits are manifold, including an enhanced ability to work with senior leaders in any organization. For in-house lawyers in particular, a MBA can be a valuable asset for those looking to pursue more business responsibilities.

Interviews with Ahmed A. Elganzouri, Matthew Willis and Myla Barefield Young

Business clients express a desire for firm lawyers to understand their business better. ¶ In-house lawyers have to deal with business managers daily. ¶ Some lawyers opt to take the plunge and get a Masters of Business Administration (MBA), either in conjunction with their law degree, or later, while practicing law. ¶ We sat down with three JD/MBA lawyers who serve on the Association of Corporate Counsel Chicago Chapter Board of Directors to share their thoughts about the value of an MBA.



Why did you decide to pursue a MBA?



General Counsel
Matthew Willis, PuttStrong LLC
(Roaring Fork Ventures)

I saw the MBA as an avenue to better understand business operations and get a seat at the table in both business and strategy decisions. I pursued an MBA to open up new opportunities.



Associate General Counsel
Ahmed A. Elganzouri,
Edward Health Services Corporation

Pursuing a MBA had always been a goal of mine because I was finance major in college. However, out of law school, I began working as a litigator, where business and a MBA were the furthest thing from my mind. But, my love for business still remained, and I decided to reshape my career path. After talking to some joint JD/MBA lawyers and in-house counsel, I realized that a MBA could benefit me: If I ever became a partner at a law firm, it would strengthen my business development skills and build a potential network of clients. More important, if I ever decided to move in-house, I knew that it would make me a better business lawyer.



Assistant General Counsel
Myla Barefield Young, Re.Sources
USA (Publicis Groupe)

I was a public policy major in college, which fueled my interest in the law. I also, however, obtained a certificate in Markets & Management and worked throughout college for an advertising agency. At the time, I thought I wanted to become a marketing consultant, so my initial plan was to obtain an MBA with a focus in marketing. I chose to pursue a law degree as well, because it was a natural next step from a public policy education. I also thought that the legal training and enhanced

analytical skills would be beneficial to me, and that the degree could open more doors for me. And, to be honest, I thought that a law degree would help me get into a good MBA program since I did not have full-time work experience. I had no real intention of practicing law when I began graduate school, and unlike most lawyers who are considering an MBA, I was more interested in the marketing and management education than finance.

What type of MBA program did you consider or should people consider?

MW: I went back for my MBA after 5 years of practice. While I considered Executive MBA programs, I was contemplating switching careers, so I wanted to complete a full MBA program to be considered for both business jobs as well as legal positions. Considerations for MBA:

1. Strong reputation
2. MBA placement (business and law)
3. Best part-time programs

AE: This is a great question for those who already have a JD degree and are considering whether they should obtain a MBA. The first consideration is whether you should attend a part-time, full-time or executive MBA program. If you know you still want to practice law, you should focus your search on part-time or executive MBA programs. While going full-time has its benefits (i.e., full immersion in school and the opportunity to build relationships with your classmates), I am not sure how firms or companies would look at an applicant who has not worked for two years as a lawyer. Those lawyers who are just starting their career would be wise to take Matt's advice and find a part-time program that treats its students like full-time students. However, I would advocate that lawyers examine an executive MBA program, which cater to more experienced professionals and allow greater immersion than part-time programs. Lastly, for those

who want to completely change their career and go into business, a full-time program will provide the most value, because it will allow you to be fully immersed in the school and its students. The MBA experience heavily weights building relationships with your peers and networking with classmates and faculty.

Finally, I am a strong advocate that lawyers focus their search on top-level MBA programs. My perspective is that lawyers pursuing a MBA have already found some success and are often looking at a MBA to either push their career along or to obtain high-level education and interaction with other successful peers. From my experience, employers place a great emphasis on graduates from top-ranked MBA schools. This is not to diminish the value of other MBA programs, but I do believe that lawyers thinking about obtaining a MBA should consider this factor in making their decision.

MBY: I only considered the full-time JD/MBA program. In a somewhat risky move, I decided not to apply to business school until my first year of law school. I thought that admission into a top law school and my legal education, albeit minimal, would make me more attractive to a business school. I also felt that I could make a credible argument that I would be an asset in the classroom since I could bring a different perspective to discussions. Thankfully, it worked!

The best MBA program is one that fits with that person's goals and circumstances. Personally, I really enjoyed the full-time joint degree program, but it is not for everyone. Joint programs are time-intensive; they typically require a four-year commitment and have steep up-front costs. I think it would be challenging, particularly in the first two years, to maintain a job while participating in the program. This type of program is also probably easiest for those

with few outside commitments and obligations, and those who will not be overwhelmed by the thought of mounting student loan debt while not working. As my colleagues noted, a full-time program may not be feasible for those practicing law and who want to continue practicing law.

If you are changing careers or professional focus, it may be worth pursuing a full-time MBA program. Networking is a large part of business school, and there may be more time to develop relationships in a full-time program. If you are seeking to sharpen your skills and propel your career within the same industry, and/or it is important to continue your job while you obtain the degree, then a part-time or executive program may be best for you.

Since I have been practicing, I have learned that there are employers that will cover all or a portion of the costs of business school. There may be, of course, post-graduation obligations to that employer. Nevertheless, these opportunities are worth investigating.

How does your MBA benefit you in your job?

MW: I have two perspectives:

a. Law Firm

As a law firm associate, the MBA gave me the ability to better understand clients. While the MBA was helpful, I was not working with business clients directly very often, so the MBA was helpful but not indispensable.

b. In-house/Management

As an in-house attorney, the MBA provides a large benefit since my clients are business unit leaders and I could ask second-level questions about structuring deals, contracts and even approaching litigation. Further, the MBA opened doors to work on strategic business projects aimed at efficiencies related to managing the department. The MBA provides instant credibility between

alums and respect from other business colleagues since I understand marketing, finance and operations.

AE: I would answer by noting that the benefit of my MBA seems to have grown in direct proportion to my advancement in my career. As I have progressed, my MBA has become more and more valuable. I think a large part of this is because, the higher up you go, the more responsibility you have and the more interaction you have with senior management at your company. My MBA has been immensely beneficial in getting me a seat at the table and opening up opportunities for me inside my company. For example, at my prior company, I was allowed to assist and counsel members of the accounting and financial committees of the board of directors. In addition, I feel comfortable speaking and understanding accounting, finance and marketing concepts, and asking non-legal questions related to competition and strategy.

MBY: I was fortunate to find my niche as an advertising and intellectual property lawyer, which caters to my interest in marketing while applying my legal skills. Early in my career, the MBA helped me get my foot in the door and made me more attractive to potential employers. In private practice, my degree was certainly touted by others to potential clients. In my daily practice, however, the benefits have been less tangible. I am sure that my business education shapes the way I think and analyze issues. Hopefully, it allows me to be more practical in responding to clients and in developing solutions. It helps me understand my clients' intentions and what they are seeking to accomplish, and to then assist them in reaching their targets within the parameters of the law. I also think the team-oriented nature of business school has made me comfortable in a business that can be team-meeting intensive.

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What are the advantages of a joint MBA and JD degree?

MW: Advantage: There is a great time advantage to getting both programs done at once. Each program is very different.

I started as a JD/MBA law student but ended up focusing on law and did not finish the MBA. Once you start your career as a lawyer, it is very difficult to obtain a MBA (and vice versa). A joint program opens doors to firm interviews that seek business-minded lawyers for transactional work.

Disadvantage: If you want to enter business, in my opinion, a full-time MBA provides an additional year of learning, networking and opportunities that propel an individual towards business management.

AE: Matt's analysis regarding the timing of the JD is correct. But, I also think that lawyers obtaining a MBA after practicing a few years will obtain a greater experience and value from their MBA. First, going back to school after working a few years brings greater insight on how to make the most out of school. Second, the MBA experience is heavily dependent upon the knowledge base of students in the classroom. The more experience the students have, the more in-depth the discussions are in the classroom.

MBY: I agree with both Matt and Ahmed. The joint degree program was a great experience, and I valued

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the exposure to two different learning environments. I enjoyed combining the individual thinking and intense study of law school with team engagements and learning from the prior experiences of my business classmates. Both individual thinking and being able to work well with, and contribute to, teams are necessary as an in-house lawyer. The energized environment and maturity of my business classmates was refreshing and helped me maintain perspective at times when law school became intense.

At the same time, I agree that working for a few years first enhances the experience. There is a greater understanding of how lessons learned apply in the world and a better focus on what one needs to gain from both schools to take her career in the proper direction.

What are the disadvantages to getting an MBA?

MW: A MBA is a huge financial and time investment.

Further, a MBA may not be directly applicable to your job as a lawyer.

If you are intent on switching career paths, your legal experience may be of little value to operations or marketing roles. Likewise, the MBA may not really vault your career as a corporate transactional lawyer amongst peers.

Part of the analysis of pursuing a MBA should be to analyze your career

goals — if you simply want to develop your business knowledge, there are many great CLE and short MBA training classes.

AE: Time and money are the biggest disadvantages. In addition, some people may question your career path: Are you a lawyer or are you a businessperson? Unfortunately, some firms cannot see the invaluable benefit of having both disciplines.

MBY: Right. In addition to time and money, people will question your intentions. You have to be very clear as to your goals and purpose. Both business and legal employers will question your dedication to their particular field. I felt like I had to be very persuasive about my desire to practice law. Employers were concerned that I would not be committed to a long-term career with them, and would ultimately leave for a business opportunity.

What is the payoff for a MBA?

MW: If you decide that you want to enter management, MBA skills are extremely valuable for understanding how to run a business — the operations, finance, marketing and management of an organization. Further, the MBA experience — team presentations, business case analysis, networking with other future business leaders, etc. — assists with the ability to work with senior leaders in any organization.

AE: Another way to look at it is what is the return on investment of a MBA. Unfortunately, that can be very difficult to quantify. I suspect that, in many cases, lawyers who decide to pursue a MBA may not see a significant difference on their return on their investment compared to those who do not have one. A lot of this is because a MBA education can be expensive (especially if your employer is unwilling to provide tuition assistance). However,

the real comparison should be what the return of investment is to you. I believe that, in many cases, it will pay off for those students pursuing a MBA for the right reasons. Put another way, a MBA will lead to more opportunities and open new doors. For in-house lawyers, a MBA skill set is perfectly suited for a general counsel type position. For those that remain in law firms, it will widen your network and assist you in procuring clients. And, for those that decide to switch career paths, it certainly won't hurt to have that MBA education.

MBY: In addition, a MBA program can help instill confidence and help lawyers feel more at ease in working with corporate clients. In business school, you participate on teams with individuals with diverse business backgrounds, address business problems across disciplines and learn the jargon. These experiences can help lawyers relate to their corporate clients, understand the language of business and feel more confident about not only being a part of their corporate teams, but also leading them and adding value beyond the law.

What advice would you give to other lawyers contemplating a MBA? Do you advocate that in-house lawyers pursue a MBA?

MW: Increasingly, lawyers with business skills and knowledge will be in high demand. However, the decision to pursue a MBA depends on your passion for business and your goals.

Law departments are adopting more business metrics, and a MBA is a valuable asset for in-house counsel. While I strongly advocate the value of additional business training for all in-house lawyers, pursuing a MBA is a bigger decision.

As advice, the MBA is beneficial if you wish to pursue more business responsibilities at an organization. Further, if you are contemplating a career change, choose a MBA program with good career placement opportunities.

For me, my MBA program was priceless — but everyone has different measurements for return on investment. I don't recommend the necessity of a MBA to a lot of colleagues.

AE: I would advise lawyers to only pursue a MBA if they have a passion for business and are sincere in their desire to learn more about it. There is no guarantee that obtaining a MBA will land you that perfect job or earn you more money in your career. You should also know the purpose of getting your MBA. Are you going to switch career paths? Can you see where your career path will move after the MBA? The answers to these questions will help you determine what type of MBA program to pursue or whether to pursue one at all.

Finally, I definitely believe that a MBA is very valuable for in-house lawyers because in-house lawyers

inevitably starting taking on management type roles. However, such skill sets (i.e., communication, flexibility, business perspective, basic understanding of finance, accounting, marketing, management and economics) can be gained from other experiences.

MBY: I agree. I do not think a MBA, particularly one gained through a full-time MBA program, is necessary for most lawyers (nor is a law degree necessary for most business people). There are many ways to obtain the skills or knowledge needed without investing two or more years and a lot of money. That being said, a MBA program can be a remarkable experience and a great way to expand your knowledge and network. It can help you gain a different perspective and build your confidence. Even without tangible benefits or a direct return

on the investment, it can be a tremendous opportunity for someone with an open mind and passion for learning.

As Ahmed notes, if you do desire a MBA, I would seek to obtain it from the best program available to you, unless you are seeking the degree because you like to learn and it is more of a personal interest than a career move. Otherwise, it is not worth the money if it is not going to open doors for you. There are lots of individual classes that can be taken without getting a full degree if you just want to hone your skills. **ACC**



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