

## Online MBA Vs. PHD Programs in Business: What's the Difference

New college graduates and seasoned professionals are heading back to school in record numbers. Whether looking for a promotion or a career change, the promise of a higher salary offers sufficient motivation.

### *The Difference Between Online MBA and Ph.D. Programs in Business*

The two main differences between the online MBA and Ph.D. business programs are the length of the program and the anticipated postgraduate career. Business management students often display a strong desire or ability for the corporate industry, and many degree-seeking professionals expect their degree to pay off in their chosen field. Most MBA students seek to earn a higher wage and career advancement, while Ph.D. graduates tend to enter academics.

### The Trend in Graduate Education

Since 2005, the Graduate Management Admission Council (GMAC) has reported significant increases in the number of MBA applicants each year. Research shows 1-year programs have the most popular upward trend with a 21% jump in 2009 applications. The majority of MBA students enrolled in accounting programs, beating out the popularity of the finance specialization from 2008 ([www.gmac.com](http://www.gmac.com)).

According to a 2009 article in *BusinessWeek*, applications for Ph.D. programs increased upwards of 40% ([www.businessweek.com](http://www.businessweek.com)). The job market and flailing economy offer schools a foothold in persuading business professionals to abandon an unstable workforce by tempting them with six figure salaries and a top-notch education.

### The Length of the Program

MBA programs often require 30-60 credits, which can be completed in two years, or one in an accelerated program. Working students may immediately apply new skills in their careers. Students participating in full-time studies analyze and engage in practical business topics relevant to today's business world. Graduate goals typically include a better job, promotion or higher salary.

A Ph.D. program in business typically takes four to six years to complete, plunging students in a world of research and comprehensive studies. Some schools offer paid teaching positions, stipends, health insurance and tuition assistance for eligible doctoral students.

### Full-Time vs. Part-Time Education

Most schools offer MBA programs either full- or part-time, allowing students to work while earning the degree. By the second year, students focus studies on one of a number of concentrations, including accounting, finance, management and information technology.

Ph.D. programs also allow students to specialize in a particular area of business. The options usually offered include accounting, management, finance, marketing and operations. Unlike MBA programs, few doctoral programs may be taken on a part-time basis.

### Quality Education is Key

In 2009, *BusinessWeek* stated that not all MBA programs are equal, and the school is as important as the degree. Graduates from higher ranking schools receive salary offers double, and sometimes triple, those of MBAs from lower ranking universities ([www.businessweek.com](http://www.businessweek.com)). GMAC polled job recruiters and found that offers made to MBA degree holders averaged \$11,000 higher than applicants with other degrees ([www.gmac.com](http://www.gmac.com)).

Like MBA programs, the school awarding the Ph.D. degree plays a significant role in a student's postgraduate job offer and salary. The shortage of business professors presents a deficiency in educational quality for lower ranking schools. Universities offering Ph.D. business programs with superior reputations attract the premium graduates, leaving little or no candidates available for anyone else.

#### Finding Support for Your MBA or Ph.D. Education

Research done by the U.S. Department of Education shows that 60% of undergraduates typically achieve at least three years of professional experience before enrolling in an MBA program ([www.ed.gov](http://www.ed.gov)). Employers often support MBA students with tuition assistance or flexible schedules to allow for business studies, since the education will likely benefit the company as well as the student.

In 2005, the Graduate Management Admission Council (GMAC) launched Operation MBA to help military personnel transition into the business world. GMAC works closely with the Department of Defense to stress the importance of continuing education for active duty and reserve troops to either transition to the corporate sector or enhance their military career ([www.gmac.com](http://www.gmac.com)).

The PhD Project, a non-profit organization dedicated to helping minority students earn doctoral degrees and launch academic careers, began in 1994 after a similar, failed attempt by the GMAC and the Association to Advance Collegiate Schools of Business. Since its launch, over 1,000 minority students have graduated from a Ph.D. program and started careers as business professors ([www.phdproject.org](http://www.phdproject.org)).

Several universities across the nation participate in DocNet, an equal opportunity cooperative promoting Ph.D. programs in business, leading to teaching careers as business professors ([www.businessdoctoralprograms.org](http://www.businessdoctoralprograms.org)). Due to a deficit in business program faculty, universities have joined to encourage students to seek these positions by offering competitive salaries, financial assistance and reaching out to the corporate business community. According to the increase in applications, the initiative seems to be working.