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FT.com site : MBAs learn to love non-profit.

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When he began his first year at the Stern School of Business at New York University in the autumn of 2004, Alan Francisco-Tipgos was unsure which way he wanted his career to go.

He had spent several years in the non-profit sector, but other types of work - particularly management consulting - also interested him.

To help with his soul-searching, he spent a summer with the Stern Consulting Corps, which combined a little of both. The internship - created in 2002 - gives Stern students the experience of working for a New York City-based non-profit organisation while also being mentored by a consultant at a top-tier firm.

Mr Francisco-Tipgos spent his internship working out how a summer camp run by Coalition for the Homeless could stem its high staff turnover.

"I spent part of the week in the office wearing corporate clothes doing accounting and statistical analysis, and part of the week at the camp learning about the kids," he says.

"There was a scepticism at first that MBAs are 'high-falutin' and unable to roll their sleeves up. But once I could show the tangible benefits of my approach, people could see that running a non-profit like a business could be a good thing."

In recent years many business schools have expanded their curriculums to include courses and field projects focusing on management and governance issues that face non-profit organisations. **Arthur Kraft**, chairman of the Association to Advance Collegiate Schools of Business, says students have a growing interest in non-profit work.

"Because of recent scandals in the US and abroad, students and schools are placing a greater emphasis on morals and ethics. We are going through a cycle where some people want to use their MBA for the betterment of the world."

While there is no data on how many new business school graduates enter the non-profit sector, Mr Kraft says the number is moving up and a substantial portion will become involved with non-profits over the course of their careers.

"They feel that if they can develop these skills now, it will enhance their value," says Mr Kraft, who is also the dean of the Argyros School of Business and Economics at Chapman University in Orange, California.

Rather than create a separate track for non-profit studies, most business schools have added internships and other types of experiential learning at non-profit organisations.

Field projects now take place not just at financial firms and manufacturers but at museums, orchestras and healthcare organisations. Southern Methodist University's Cox School of Business recently instituted a servant leadership programme with the Texas Scottish Rite Hospital for Children, which treats children who have orthopedic conditions and learning disorders free of charge.

Over a five-week span, Cox students work in teams on projects such as a plan to redevelop a nearby park or preparing a feasibility study on providing childcare for hospital employees.

One of last year's projects examined alternatives to the hospital's language translation services.

The students found that a combination of in-house translation staff and private telephone services could save the hospital \$24,000 a year - a significant sum for a non-profit organisation.

Jason Scoggins, associate director of the business leadership centre at Cox, says the aim of the programme is to show students "ways they can use their business skills to give back" - even if they are not employed by a non-profit group.

"We stress the importance of board leadership in non-profits - not just for the status but because non-profits really need the expertise and experience of MBAs," Mr Scoggins says.

Julia Hochberg, a freshly-minted Cox MBA, spent last semester assessing whether the hospital should spend the time and money to attain a special nursing accreditation that would supposedly help it with the long-term recruitment and retention of nursing staff.

At the end of the project, she presented the board with a 30-page document recommending that the hospital pursue the accreditation.

Ms Hochberg, who now works at a marketing firm near Dallas, says that she can envisage herself going down the non-profit route one day. "It was a realisation that non-profit organisations have equally challenging business needs and issues as for-profit corporations," she says.

"It was an eye-opener that I could have just as stimulating a career working for a non-profit."

Other schools have also incorporated non-profit fieldwork. The Kelley School of Business at Indiana University requires accounting students to do a semester-long consulting project with non-profit organisations.

As well as hospitals, the local symphony and government groups, these organisations include Habitat for Humanity, a non-denominational Christian housing charity, and United Way of America, the coalition of US charitable organisations. Students also provide business analysis and consulting services as requested.

The projects are mutually beneficial to the students and non-profits, says Martin Donnelly, a Kelley director and co-ordinator of field consulting projects. "The organisations need help and they don't have the money to hire Booz Allen or Bain," he says.

"They have problems that are complex to them but are basic in terms of finance and accounting. The students are well equipped to come in and help while also learning soft skills like how to meet with clients."

On his graduation earlier this year, Mr Francisco-Tipgos decided to return to non-profit work. He is now the director of finance for a group that serves gay seniors in New York.

"I love the idea of giving back to a place that I really care about," he says. "A part of me really wants to do social good."

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