Should You Get an MBA?

Idea In Short

Decide on the four Rs, not the coursework: relationships, recruiting, redefinition and recharging. Degree inflation, temporary knowledge and heavy cost are real cons, and half the content sits free online. The MBA buys your first great job after school, never your second.

A Satisfied Skeptic's Accounting

An MBA earned years ago proved a good use of time, attention and money, and the skeptics still have good reasons. Honest accounting requires both columns, because the degree's value depends heavily on who is buying it, when and from where. The analysis that follows weighs three cons against four pros and lands on a timing argument that most rankings ignore.

The Three Cons

Inflation leads the case against. The more there is of something, all things equal, the less it is worth, and advanced degrees that were once rare now flood the market, with more than 100,000 MBAs awarded each year steadily eroding relative value. A plain MBA is not valuable by itself; the program's pedigree and regional brand carry the weight, and broad-stroke generalizations about MBAs deserve the same suspicion as generalizations about any large group. Impermanence comes second: anyone drawn to serious professional reading already believes in lifelong learning, and no program equips you completely for a whole career. Expense closes the case. Absent a rare full scholarship, the degree costs heavily, while perhaps a third of its value, the core learning in marketing, strategy, statistics, negotiations, finance and accounting, is now available online for free.1 A free curriculum assembles easily from top schools: financial accounting and operations from Wharton, strategy and innovation from Darden, organizations from Stanford, finance from Ross, microeconomics, Bayesian statistics from Duke and law from Wesleyan. Critics rightly note these five-to-six-week courses are not MBA-depth, and the counter stands: they are free, they deliver perhaps half of MBA-type content and they leave no relief for the lazy.

The S-Curve Timing Argument

So why bother? Because careers move in S-curves, and the degree is a step-jump machine. For many professionals the first curve ramps hard and then flattens somewhere between ages 27 and 33, which is exactly when applications spike. The MBA jumps you onto the next curve, and the honesty matters here: it does nothing for the jump after that. The credential helps land the first good job out of school, never the second, because subsequent moves ride on achievements rather than diplomas. Buyers should therefore price the degree as a one-time catapult, not a career annuity.

The Four Pros

Relationships come first and last longest. Business school gathers smart, motivated, generous people from different countries and careers, all wired as learners, and sixteen years later the monthly calls with classmates continue. The relationships outlive the coursework by decades, since the ability to call a buddy for advice, a referral or a favor beats the ability to calculate the weighted average cost of capital (WACC) every time.2

Recruiting comes second. The easiest entry into management consulting runs through campus hiring, and transferring in later as a lateral hire is neither easy nor pretty. For anyone targeting the industry, the recruiting pipeline alone can justify the tuition. Redefinition comes third: for career switchers, the MBA is the proven bridge, carrying people from the military, education and sales into consulting, including the well-worn path from business-to-business marketing and strategic planning. Employers accept the degree as a reset button they will not grant to a resume alone.

Recharging completes the four. A two-year full-time program is a luxury when you can afford it, a chance to do college right, and the formula compresses cleanly: MBA equals business learning plus good-paying jobs plus solid friends. Research resources abound for shoppers, with a couple of dedicated outlets covering programs better than the general press.3

Weighing the Opportunity Cost

The columns above skip a fifth cost that deserves its own line: two years of foregone salary on top of tuition, easily the largest single line item on the ledger once opportunity cost is included alongside the sticker price. That math changes by career stage. Someone five years into a strong trajectory, with promotions already compounding, faces a much steeper opportunity cost than someone stuck at a plateau with no clear next step. The S-curve argument only works cleanly for the second group; the first group should ask harder questions about whether the same jump is achievable through a promotion, a lateral move or an executive program instead of a two-year pause.

Deciding for Yourself

The decision framework falls out of the columns. If you need the content alone, the internet now provides half of it free, and discipline provides the rest. If you need the catapult, the recruiting pipeline, the switchers' bridge or the network, the calculus changes entirely, and program brand becomes the variable worth paying for. Time the purchase to your S-curve rather than to peer pressure, enter with the four Rs as your syllabus and treat every classmate as the appreciating asset the diploma is not. Bought that way, the degree remains what it was years ago: a good use of time, attention and money, skeptics notwithstanding.

- 1Coursera
- 2Weighted average cost of capital
- 3Poets&Quants

Summary

One hundred thousand annual MBAs dilute the credential while pedigree still matters. Content is learnable free online, so the durable value lives in relationships, campus recruiting, career redefinition and two years of recharging. The degree jumps one S-curve; achievements must jump the rest.