

Customer-Driven MBA program at U of M aimed at reducing cost of hiring graduates

BY MICHAEL SHEFFIELD

Companies looking to alleviate some of the risk involved in hiring and retaining employees with MBAs can get a measure of relief from a new program at the University of Memphis.

Beginning in fall 2009, the university's Customer Driven MBA program will allow participating companies to train students working on their MBAs specifically for the jobs those companies need to fill. In exchange, the companies pay for the students' coursework. The students must agree to work for them for two years after they receive their MBAs.

The program is designed to counter the money companies invest, and sometimes lose, when hiring employees with MBAs.

Barbara DeVivo, director of relationship management for the program, says businesses can invest up to \$110,000 in a new hire in the first year, including salary, benefits and sometimes relocation fees. Some companies can invest as much as \$345,000 in new hires.

DeVivo says some businesses, especially those in the biotech industry, often use costly recruiters to find talent.

"Recruitment fees can be 25% of their salary, which could be around \$30,000," DeVivo says. "If they quit, the recruiter has already been paid, but the company lost its investment."

She says new hires usually leave because they don't fit into the corporate

culture of a company.

"When people do interviews, they are presenting their best foot forward, but that doesn't necessarily mean they'll fit into the culture," she says.

Through the Customer-Driven MBA program, companies know the employees will fit the culture because they've been immersed in it for two years.

DeVivo says the cost of a company paying for an MBA student through the program is \$60,000. Students in the program must have a 3.5 undergraduate GPA and have a minimum score of 600 on the GMAT.

Victor Rocha, spokesman for Smith & Nephew, Inc., one of the local companies involved in the program, says it is a way to grow and keep talent in Memphis.

"It's always been a challenge because we're looking for a specific talent pool, and every company is always going to run into that," Rocha says. "Our competition is sometimes larger metropolitan areas and keeping talent in Memphis through this program benefits everybody."

Customer Driven MBA Program at University of Memphis

Two-year program that will provide participating companies with MBA candidates while those candidates receive specified training

Director of relationship management:
Barbara DeVivo
Starts: Fall 2009