

How an MBA can make you an entrepreneur

Even creative minds can reap the benefit, writes **Jeremy Hazlehurst**

SURVEYS of this newspaper's readers always show that a large proportion of them hope to start up their own business one day. But if that is your dream, how do you go about it? Can you learn to be an entrepreneur? There is a mystique around entrepreneurialism and those who have succeeded often promote the idea that it is a quality that you are born with and no amount of training can make you successful.

Which is odd, because in recent years MBA courses have increasingly incorporated an entrepreneurial aspect. Many have electives about starting businesses. But can you really learn entrepreneurialism? As is often pointed out, the heads of Apple, Google and Microsoft do not have MBAs. If you want to start your own business, can an MBA help you?

Gary Dushnitsky, associate professor of Strategic and International Management & Entrepreneurship at London Business School, says that an MBA course can give you the "toolkit" to start a business. When people think of entrepreneurs they tend to emphasise the brilliant idea, the light bulb moment, and while that can be important, structural factors are also part of building success. For example, setting up the business in such a way that it can be scaled up.

"It's not all about having ideas, you need to set up marketing and know how to manage cashflow"



MBAs can help you take that leap to set up your own business.

Picture: GETTY

"Successful entrepreneurship is not just about having an idea that has traction, but having an organisation that allows you to monetise the idea. Do you have a marketing department that can sell the product? A finance department that can deal with the sometimes lumpy cashflows?" Many successful entrepreneurs are those who have found a way to monetise ideas. Gyms and coffee shops existed for hundreds of years before Fitness First or Starbucks.

Dr Shai Vyakarnam, director of the Centre for Entrepreneurial Learning at Judge Business School at the University of Cambridge, agrees that there is a percep-

tion that MBAs are unhelpful to entrepreneurship. "There is a negative part of MBAs, which is that most of the curriculum is about risk mitigation," he says, pointing out that a lot of modern finance is about reducing risk. Entrepreneurs, of course, need a high tolerance of risk, and these two seem to pull in opposite directions. But the risk removal strategies can certainly be useful if used in the right way.

Learning about spread-sheets, venture capital, marketing, these are all useful things to know and might help you not get walked all over by somebody who has been doing it for 15 or 20 years. He also says that

another side to the MBA is very helpful indeed to entrepreneurs – the networking. An MBA is largely about the contacts that you make at things like venture capitalist events and especially at business schools that are embedded in other universities – Judge at Cambridge, Imperial or Said in Oxford, for example – there are lots of people floating around, engineers or scientists for example, who can help you.

Really, there is no way to predict where entrepreneurs will emerge from. If an MBA is your route, then so be it. "I am from the Frank Sinatra School of business," says Vyakarnam. "Do it your way."

TWO MBA ENTREPRENEURS

OLGA NEFEDOVA

HAVING worked as a senior drilling engineer for oilfield services giant Schlumberger for four years, and then for Mitsubishi Steel Trading, Olga Nefedova took a full-time MBA at Warwick Business School in 2008-2009.

She now combines a customer services manager role at Schlumberger with running an online gallery selling Russian art, the Kohgan Art Gallery.

"I was quite a corporate person, and idea of entrepreneurialism was scary to me, but the classes I had really gave me encouragement," she says. "I felt that you had to be setting up companies from the age of 12, but the statistics showed



that most people start after 30 and take a number of attempts before they have one which is a success. You have to be prepared to lose, there is no fear of being unsuccessful, which is just the opposite to the corporate world."

Since Nefedova set up the gallery late last year, she has exhibited work at the NEC in Birmingham, and now also plans to do so at the Affordable Art Fair in London later in 2010. She says that the energy she gets from the

artists is unlike anything in the corporate world. "I went into the MBA thinking it was all about money, but it taught me that you can have soul and passion in business too." www.russianart4u.com

EMMANUEL CARRAUD

"MY background was in marketing and I had worked in France, Spain, South America and Italy and I thought an MBA would improve my English and broaden my horizons," says Emmanuel Carraud. After a decade in corporate life that included stints with food and drink manufacturer Danone, market researcher ACNielsen and retailer Auchan, Carraud decided that an MBA would help him make the next step. In the first term he met a couple of computer scientists with an idea for a business making iPhone apps. Together they founded MagicSolver whose first product was Magic Sudoku, an app so that allows you to solve any Sudoku puzzle in 10 sec-



onds. They won the Cambridge University Entrepreneurs Competition in June 2009 and haven't looked back. "We started in July and since September all three of us have been full-time on the business." Their biggest selling app so far was an advent calendar at Christmas, the fifth most downloaded in the UK in December, with 200,000 downloads.

"Now we are working on a Sudoku app for the iPad which will be multiplayer, so you can challenge your friends to play." Thanks to his Cambridge contacts, Carraud has made the three big career changes – industry, function and country – in less than a year. "An MBA changes your outlook," he says. www.MagicSolver.com



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