# *ENSURING QUALITY AND RETAINING APPLICANTS IN MBA PROGRAMS*
## *The Case of Sultan Qaboos University*

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This study examined the selection process at the Sultan Qaboos University MBA program in relation to other respected institutions in the Gulf area and worldwide to determine the reason(s) for the high rate of attrition among students joining the MBA program. In addition, the study assessed the correlation between Graduate Management Admission Test (GMAT) scores and success on the program. We found that there was almost unanimity among the interviewees regarding the need to reconsider the GMAT, the cost of MBA courses; and marketing the program. Researchers found no research study or statistical report that shows there is a direct relationship between the top academic performers with those who score high on the GMAT.

## *INTRODUCTION*

This article discusses the design characteristics of an master of business administration (MBA) program at Sultan Qaboos University (SQU). SQU is located in Muscat, the capital of Sultanate of Oman. The MBA program at SQU started in September of 2004 following an in-depth feasibility study to ascertain the demand for such a program. SQU policy has been to offer an academically reputable and competitive MBA program and possibly a role model for other colleges to follow, creating a competitive advantage over others due to the excellent reputation of SQU. Hence, competitive admission criteria and screening procedures were established to ensure high quality standards of intake in line with internationally recognized programs.

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The Quarterly Review of Distance Education, Volume 9(3), 2008, pp. 317–325 ISSN 1528-3518

Initially, many students were interested in the program; roughly 90 applications were received. Twenty of applicants were selected to start their MBA program upon condition of fulfilling some of the set criteria, which included English language proficiency, GMAT, and/or taking bridging courses for nonbusiness graduates. An additional 20 students were put on reserve. However, only two students actually joined the program and the rest withdrew their applications or simply did not show up. This raises the concern of whether it is financially feasible to offer the program given the low intake. Furthermore, there was a need to explore the rationale/justifications for the low number of interested applicants, giving the overwhelming number of interested parties during the feasibility study.

This study aims at examining the selection process at the SQU MBA program in relation to other respected institutions in the Gulf and other countries worldwide to determine the reason(s) for the low intake into the program; whether there is a need to modify the admission/selection criteria, particularly the GMAT, and whether there are other mitigating factors that need to be examined to ensure that the program is sustained without compromising its quality and integrity.

## BACKGROUND

The demand for higher education in the world has been increasing. In this regard, the MBA has become one of the most demanded postgraduate degrees in the world. Universities around the world are expanding their MBA programs overseas; in the United States alone, there are more than 300,000 people studying for a MBA each year (Rosenberg, 2004).

The MBA is widely regarded as the essential qualification for graduates aiming for an executive position and provides a framework for careers in management or business (Quacquarelli, 2004). Therefore, MBA program is vital for a society that is looking forward for advancement.

The Sultanate of Oman, a developing oil-based Arab Gulf state has in its recent history embarked on an ambitious higher education plan that aims at meeting the labour market demand for a qualified and skilled workforce. The establishment of Sultan Qaboos University in 1986 has been perceived as a crowning of its educational advancement. The more recent establishment of the College of Commerce and Economics within the SQU campus, in 1994, is yet another initiative to meet the growing demands of a modernizing nation for mangers who are equipped with the higher-quality academic ability, in-depth business and industry knowledge, and executives who are aware of the latest research and technology in this rapidly changing environment.

In 2004, the MBA program was launched following an in-depth feasibility study to ascertain the demand for such a program (Sultan Qaboos University Proposal, 2003). The idea was well received, and letters of support from government and private organizations endorsed the perceived demand for such a program. Michael Porter, one of the world's leading authorities on competitive strategy and a professor at Harvard Business School, was recently a guest at SQU. He identified the challenges to move from an oil-based economy to a nonoil economy as providing a favorable industrial climate and improving the standard and quality of human resources in Oman. Furthermore, he stated that, for Oman to achieve new levels of success in economic productivity, it needs to link industry and universities ("Hard Talk," 2004). He specifically was very glad to see SQU offering an MBA program.

There is clearly a demand for the MBA program, particularly in light of the fact that there are six private colleges that offer this type of courses. Most of these colleges are affiliated with well-regarded external/international universities, making their programs attractive to the prospective students.

The program at SQU is a part-time evening program, which caters well for working professionals who may not wish to interrupt their careers, as well as women who, due to social and family commitments, may not be in a position to enroll in a full-time program or study overseas as many of their male counterparts do.

The College of Commerce and Economics (CCE) at SQU has conducted an awareness campaign countrywide to promote the MBA program and to show how well it can help the advancement of businesses and organizations by supplying them with better-qualified managers, particularly in light of the Omanization campaign that aims at replacing the significant number of expatriate employees and managers with highly qualified Omanis.

This study aims at examining the selection process at the SQU MBA program in relation to other respected institutions in the Gulf area and worldwide to determine the reason(s) for the high rate of attritions among students joining the MBA program.

The study aims to:

- Examine why the overwhelming majority of applicants who were conditionally accepted did not join the program. Look into the main constraints in joining the program. What is the problem: is it the GMAT, cost, English language (TOEFL), GPA, interview, or work experience?
- Investigate whether the graduated alumni and senior students at the university are aware of the program. Are they interested in the MBA program? How/what are their motivations? If students are interested in pursuing an MBA program, are they opting to enrol in alternative institutions? Does the program need a better marketing campaign?
- Assess the correlation between Graduate Management Admission Test (GMAT) scores and success on the program. Explore how much reliance should SQU place on GMAT when admitting a student.
- Evaluate other assessments in the admission. Which criteria should have more weight? Should we look for other criteria? Study whether academic ability is one of the best indicators of MBA performance?
- Look into providing workshops to guide the candidate on GMAT prep and exam taking strategy. Promote our recruitment program.
- Compare the MBA program at the SQU with other similar programs in the Gulf region. In addition, compare the MBA program with other master's degrees in other colleges of SQU.
- Examine how SQU can exploit the three-way partnership among enterprise, students, and the business school for the benefit of all three.

The outcome of the this study is expected to be beneficial not only to the purpose of improving MBA program at SQU but also would be beneficial to similar programs in Oman and the Gulf region, and will provide a more acceptable basis for establishing academically sound programs in the area.

## *RESEARCH METHODS*

To generate the needed information for this study, a blend of data collection methods were used. First, descriptive/interpretive studies of the literature and previous studies by academics and industrial institutions in regards to MBA program admission criteria worldwide were reviewed.

Second, questionnaires were distributed among current MBA students as well as senior students at College of Commerce and Economics. The first one covered those experienced MBA students, and they have been asked about the success of the program based on their experience. It also aimed to solicit their feedback as to the reasons behind decreasing number of applicants, the marketing strategies followed and the facilities available for the program. It was to explore the MBA students' opinion of the MBA program at SQU CCE, and whether it can be a role model for MBA programs in Oman. The second questionnaire was conducted among senior students at the College of Commerce and Economics to examine their awareness of the existence of such program and whether they have been attracted to apply for the MBA program at SQU. Also, the survey asked them if they were looking forward to do an MBA in institutes other than SQU and, if so, what are the motives behind their decisions.

Third, the researchers conducted a series of interviews with the MBA program staff and instructors. The main focus of the interviews was to explore their opinion on the admission requirements and the marketing strategy, and solicit their feedback on how to improve the program. In many cases, these interviews were followed by a phone call and/or e-mail for the purpose of clarifying some of the unclear points. Additionally, the researchers carried out online surveys on the admission criteria among different universities in the GCC countries, United Kingdom, and Australia.

## *ANALYSIS AND RESULTS*

After conducting three kinds of surveys (questionnaires for the current MBA students and prospective students and an interview for the staff and instructors), the results are outlined below.

### *Feedback of Current MBA Students at SQU*

There were a total of 12 MBA students (8 of them doing the core courses and 4 doing the bridging courses). When asked how they rank the MBA program success, 58% of surveyed students ranked it high; 25% of students ranked it medium and the rest did not answer this question for one reason or another.

When asked about the reason why the overwhelming majority of applicants who were conditionally accepted did not join the program, 78.6% of students said that they belief that the GMAT is the main reason, whereas 21.4% students cited the cost and time constraints, and another 3 ranked the English test and GPA as the main reason.

Asked "How did you know about MBA program at SQU?", 33.3% said that they knew about it through a friend; 50% said that they knew though newspapers or advertisement multimedia, and the rest said through the Web site.

Exploring why they chose the MBA program at SQU, 37% of respondents said that they done so due to the excellent reputation of SQU, 14.8% cited the location of the SQU campus; 11.11% cited the cost, and 14.8% said due to the kind of course materials the program at SQU offers (program content).

When asked about the best way to attract more student to the program, 44.4% said the program need more advertisement; 22.2% said by lowering the program cost, and 33.3% said this can be done by reducing admission requirements, mainly the GMAT.

A majority of students (91.6%) claimed that they are satisfied with the timing of the lectures. Only 8.3% said that they are not happy about the timing.

There was a special question for nonbusiness graduates (6 students) to see whether they find any difficulties in attending the program; again, another overwhelming positive answer—83.3% said no and only 16.6% said yes.

Regarding whether they think that the MBA program at SQU can become a role model for other MBA programs in Oman and why, 50% of the surveyed students were positive about the idea (said yes), and they provide the following justifications: standard requirements, well-structured courses, internationally recognized program, reasonable quality of the content, and suitable for the Omani market. Only 25% of students rejected the idea, justifying their responses on the following basis: GMAT requirement, nothing special in it, and limited choices of subjects to students. The remaining

25% of students preferred not to answer this question.

Are they satisfied with the program facilities? Overwhelmingly (91.6%), they said yes, and only 8.3% said no. This might be due to the good facilities available at SQU campus in general.

In summary, MBA students believed that this program has been successful in terms of quality, lecture timing, and the facilities available to the program. They also think that this MBA can be a role model in Oman because it is well-structured, internationally recognized, its content is of reasonable quality, it is suitable for the market, and it has standard requirements. In addition, those students who were not business graduates said that they are very satisfied with the program and face no difficulties in catching up. On the contrary and despite the encouraging/optimistic picture drawn by a majority of current MBA students, a minority of students think that it cannot be a model because of the GMAT requirement and the limited choices of subjects available to students. MBA students think that the majority of applicants who were conditionally acceptance did not attend the program because of the GMAT requirement.

On the issue of program publicity, it was found that 50% of the students knew about the program through the newspapers and advertisement multimedia. However, 30% heard about this MBA program through word of mouth. They suggest having more advertisements for the MBA in addition to removing the GMAT as an admission requirement to make the MBA program to be more popular.

As to why they have chosen the SQU to do their MBA degrees rather than other institutes, they claimed that the choice was due to the good reputation and the quality that SQU provides for its students. The second driving force for choosing this program, according to 33% of the surveyed students, was its reasonable cost.

The MBA students suggested some improvement on the available facilities such as access to online journals from outside SQU campus, extended library hours, a special computer lab dedicated to MBA students, courses on global MBA, and to cater for an annual gathering between old and new MBA students.

## *Feedback of Prospective MBA Students*

This questionnaire was conducted among 32 prospective students, mainly the senior students of the CCE, to explore their opinions on various issues regarding the MBA program at SQU.

Unexpectedly, when CCE students were asked whether they know that an MBA is offered by the college, 50% said yes and 50% said no.

To investigate their willingness and interest to join the MBA program at SQU, 21.9% said yes and 78.1% said no, and they stated the following justifications: GPA 22.7%; cost 7%; English test 4.5%; duration of the program 25%; GMAT 9%; and part-time style 11.3%.

Whether they have a plan to join another university/college for an MBA, 40.6% said no and 31.25% said yes; of this group, 40% said that they will pursue it abroad, 30% said they will pursue it in Oman, 30% had not yet decided, and 6.25% of the students preferred not to answer this question.

In summary, it was found that 50% of the senior students at CCE don't know about the MBA program offered by their own college, which might be due to the lack of proper marketing and publicity of this program. After students were told about the MBA and were asked whether they are interested in attending the program, it was found that 25% of them are not interested because of its duration, in addition to the GPA. Furthermore, 40% of the surveyed students said that they wish to complete their MBA, but not in SQU.

## *Feedback of Staff, Instructors, and Committee Members of the MBA Program*

The interview was carried among total of 11 staff and instructors or MBA committee members. When asked about whether they think that the GMAT is the main reason behind decreasing number of applicants, most of instructors agreed. However, a minority of staff/instructors believed that it's very important. This latter group claimed that, for the qualified MBA, the GMAT is required because it is ranked as the most important condition in the MBA in most universities. But the problem regarding the GMAT is that there are no GMAT exam centres in Oman. Therefore, prospective students need to travel to Dubai (UAE) or Bahrain to take the GMAT. This makes things difficult for them. The College of Commerce and Economics normally gives the qualified students a conditional offer, giving them a chance to take the GMAT exam before they are fully admitted to the program, but the problem with the conditional offer is that it delays the registration process.

In addition to the GMAT issue, some instructors think that cost can be one of the reasons behind the decreasing the number of the applicants. Some colleges in Oman offer an MBA program for less, they argued.

Some interviewed staff/instructors claimed that the shortage of the faculty is one of the problems faced by the current MBA program. Some instructors think that the teaching load of MBA teachers would be a problem for some of them.

It was noticed that the number of students applying for the MBA has been decreasing for the last three years. When instructors were asked about the marketing of the program, most of them said that the marketing of the program is not going very well and the advertising should be improved in order to reach more students. This could be done through the use of newspaper, radio, and TV advertisements. In addition, they proposed to have a good Web site to attract prospective students. So far, the only way used by the college to advertise is the booklet produced by the SQU admission and registration office. Most of instructors think that the students knew about the program through word of mouth.

When instructors were asked if the college can offer a full-time MBA, there were conflicting opinions. Some of them said that the full-time MBA will not work at SQU because most of the students are working and they don't have time to attend the whole day. However, some of them said that it would be better to have a full-time program because this will help to decrease the duration of the program and will provide a flexible time to students.

When asked about the quality of the program from the view point of the instructors, they said that the program is a qualified program and it can act as role model for the other MBAs in Oman, but at the same time it should be updated to reflect the latest trends and approaches in management styles. Some staff/instructors argued that the success of the program cannot yet be judged, as it is new and must wait for 4-5 years to measure students' performance in the work environment.

## *OTHER UNIVERSITIES' ADMISSION CRITERIA*

Web sites of other universities/colleges in Oman, UAE, KSA, Bahrain, Australia and United Kingdom were visited (see Table 1) to determine the admission criteria at other universities in the Gulf region and worldwide.

The general findings were that, in the Gulf region, only few business schools required the GMAT as one of the admission requirements, which can be waived if other requirements are fully met. In Australia and the United Kingdom, none of the visited universities online stated that GMAT test is one of their admission requirements. It was also noticed that, in many business schools, work experience could be substituted for the undergraduate degree in a business school and, in many cases, the programs are flexible and designed to meet the industry requirements. All the studied business schools have elegant Web sites that promote their MBA program, explaining its requirements and contents, unlike SQU CCE.

TABLE 1
Admissions Criteria of Universities Worldwide

| | | Admission Requirements | | | | | |
|---|---|---|---|---|---|---|---|
| Name of Institutions | Location | University Degree | Experience | GMAT (MIN) | TOEFL (MIN) | Duration | Fee (Approx.) |
| Sultan Qaboos University | Muscat, Oman | Required | Not required | 450 | 550 | 3 years | $14,040 |
| Gulf College | Muscat, Oman | Required | Desirable 3 to 10 years | | | 2 years | $19,565 |
| Majan College | Muscat, Oman | Required | Desirable 2 to 4 years | — | 500 | 2 years | $14,950 |
| Vision Institute | Muscat, Oman | Required | Desirable | — | — | 2 years | $7,800 |
| Waljat College of Applied Sciences | Muscat, Oman | Required | — | — | — | 2 years | $13,000 |
| College of Banking and Financial Studies | Muscat, Oman | Required | Desirable | - | 550 | 2 years | $18,330 |
| UAE University | UAE | Required | Required 3 years | — | 500 | 2 years | $33,891 |
| Zayed University | UAE | Required | Required 3 years | — | 550 | 2 years | $33,280 |
| American University | Sharja, UAE | Required | Required 3 years | Acceptable GMAT score | — | 2 years | $37,500 |
| American University | Dubai, UAE | Required | Required 3 years | 500 | 550 | 2 years | |
| University of Wollongon | Dubai, UAE | Required | Required 4 years | | Required | 2 years | $19,344 |
| Qatar University | Qatar | Required | | | 500 | 2 years | |
| University of Kuwait | Kuwait | Required | - | 450 | 550 | | |
| University College of Bahrain | Bahrain | Required | Desirable 5 to 7 years experience | Acceptable score | Acceptable score | 2 years | $20,000 |
| University of Edinburgh | UK | Required | Desirable 4 years experience | 580 | 600 | 2 to 4 years | $37,860 |
| University of Abertay | UK | Required | Desirable 4 years experience | | 563 | 1 to 3 years | $16,137.71 |
| Anglia Ruskin University | UK | Required | Desirable experience | | 600 | 1 year | |
| Aston University | UK | Required | Required 3 years | | 600 | 1 to 5 years | |

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TABLE 1
(Continued)

| | | Admission Requirements | | | | | |
|---|---|---|---|---|---|---|---|
| *Name of Institutions* | *Location* | *University Degree* | *Experience* | *GMAT (MIN)* | *TOEFL (MIN)* | *Duration* | *Fee (Approx.)* |
| Bond University | Australia | Required | Required 3 years | Acceptable GMAT score | — | 1 + years | |
| Charles Sturt University | Australia | Required | Required 3 years | — | 500-600 | 2 Years | |
| Deakin Business School | Australia | Required | Required 2 years | — | — | 1.5 Years | |
| Edith Cowan University | Australia | Required | Required 2 years | — | — | | |

*Notes:* Language of instruction in English.

## CONCLUSION AND RECOMMENDATIONS

There was almost unanimity among the interviewees regarding the need to reconsider the GMAT, cost of MBA courses, and marketing the program. Researchers found no research study or statistical report that shows there is a direct relationship between the top academic performers and those who score high on the GMAT. In fact, there are some respected universities in the United Kingdom and Australia for which the GMAT is not a criterion of admission to the MBA program. Many business schools that use GMAT test as one of the admission requirements use it only as a filter to reduce a very large number of applicants to a smaller group for closer scrutiny. In addition, there are no research papers on MBA admission criteria and MBA quality in the Gulf countries.

It was found that the MBA program is the most expensive master's program at SQU when compared to other humanities and science colleges. Costs need to be comparable to similar programs at SQU and other local colleges in Oman.

Furthermore, a marketing campaign needs to be carried out to inform the prospective students and potential organizations about the program and its potential benefits for business. In other words, the SQU College of Commerce and Economics needs to invest more in its human and financial resources to market the program, recruit students, and assist in processing and converting admitted students to enrolled students. In addition to promoting the program, SQU should highlight the excellent environment, hospitable local people, and stable country with many attractions for visitors.

The outcome of the this study is expected to be greatly benefit similar programs in Oman and the region, and will provide a basis for establishing academically and financially sound programs in the area.

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