
Boom time for MBAs in US

By Rebecca Knight in Boston

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This recruiting season at top US business schools is the most competitive since the bursting of the technology bubble, as private equity firms, hedge funds, and real estate companies join investment banks and other traditional seekers of young talent.

According to school officials, not only has the number of companies recruiting at business schools increased, these companies are also making more visits to campus, and devoting more time and effort to wooing newly minted MBAs.

Recruiting at business schools reached its peak in 1999, but after the technology boom subsided, recruiting and hiring was lacklustre for several years. It has recently started to pick up, and this spring, it is "the healthiest in years", according to Jonathan Masland, of Tuck School's Career Development office at Dartmouth College.

"Things were still better during the bubble than they are today, but that was irrational," said Mr Masland.

For instance, the number of companies that came to Tuck this year increased roughly 30 per cent from last year, while the number of office hours offered by companies that recruit at the school was up nearly 70 per cent from the year before.

While big banks and consultancies conduct most recruiting at business schools, boutique investment management groups and real estate companies have recently become a strong presence. In addition, said Mr Masland, consumer packaged goods companies such as Pepsi, as well as information technology companies such as Google and Microsoft, had also ratcheted up management recruiting.

Janet Raiffa, an MBA recruiter for Goldman Sachs, described this year's recruiting season as "extremely competitive" with "more students getting multiple offers". "Firstly, the market is very strong, and many banks are growing the size of their US programmes," she said. "Secondly, more financial services employers are expanding internationally and seeking MBAs for a wider array of global locations."

Ms Raiffa said Goldman Sachs was reaching out to "groups that may not have been previously tapped". In the past two years, for example, the bank has added events for military veterans on MBA campuses as well as hosting video links with London for MBAs interested in job opportunities in Europe.

At the Wharton School at the University of Pennsylvania, the number of company visits is up nearly 10 per cent, and the number of positions posted has risen a similar amount. The philosophy within certain industries is changing, and there is a new appreciation of, and demand for, the different MBA skill set," said Chris Higgins, senior associate director of MBA career management.

The competitive recruiting season has translated into an improved job market for new MBAs. By the end of February of this year, more than 80 per cent of graduating students at Columbia Business School had secured jobs. Three years ago, that figure was 54 per cent.

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