

The Healthcare MBA: One Fast Track in a Slow Economy

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The healthcare track for MBAs has never been a hot one — until now. Believe it or not, **healthcare companies can't find enough MBAs to fill open positions in this \$2.26 trillion industry**, says Marjorie Baldwin, head of Arizona State University's School of Health Management and Policy. Hospital administration and healthcare practice management may still lack the glamour of top consulting gigs, but the opportunities now go beyond just hospitals — B-school grads can find roles in everything from biomedical startups and e-health ventures to consulting and pharmaceutical R&D.

Even as the country overall lost another 598,000 jobs in January, according to the Bureau of Labor Statistics, healthcare was one of just three industries to expand its workforce. In fact, healthcare services added 372,000 jobs throughout 2008, and a good chunk of those were on the business side. At Kaiser Permanente, for example, a third of the 16,000 to 18,000 positions that open up each year are in management and operations.

Top feeder schools:

The Wharton School at the University of Pennsylvania: Wharton's long-established Healthcare Management program excels at sending grads to lucrative industries beyond the usual hospital administration jobs — 29 percent of the program's 2008 grads ended up in biotech and pharmaceuticals.

Duke University's Fuqua School of Business: The Health Sector Management program enjoys close ties to North Carolina's Research Triangle, one of the fastest-growing clusters of biotech firms in the country.

Northwestern University's Kellogg School of Management: Kellogg's 300-member student **healthcare and biotech club** hosts the annual Business of Healthcare conference, a premier networking and recruiting event in the health services industry.

Most lucrative jobs:

The most popular positions for MBAs in the healthcare industry, according to **Payscale, Inc.** (Salaries represent 2008's national median pay.)

Hospital Administrator: \$112,000

Healthcare Consultant: \$99,500

Pharmaceuticals Project Manager: \$91,900

Healthcare Services Director of Program Management: \$89,000

Practice Manager: \$87,300

Major MBA recruiters:

IMS Health: The 8,000-employee consulting firm works with nearly every major pharmaceutical and biotech company in the world. And according to Clint Wolfe, global director of talent acquisition, the company is as eager to take on new MBAs as it was before the recession.

Amedisys: The nursing management company has projected 2009 earnings above analysts' expectations and forecasts continued growth this year due to a series of strategic acquisitions. Amedisys is thriving in part because during recessions patients opt for care at home as opposed to pricey hospital visits.

Amgen: Amgen Inc., the world's largest biotechnology company, targets new grads by hosting an **MBA Leadership Program** as well as summer internships where students can expand their studies in biotech sales, marketing, and finance.

HCA: Armed with 180,000 employees, the Hospital Corporation of America is the largest private operator of healthcare facilities in the world. Eager to snap up recent grads, the company offers special executive-development programs focusing on everything from finance to hospital operations/administration.

The job outlook for new MBAs

Healthcare organizations typically look for clinical experience before business acumen, says Baldwin. This year, though, business acumen is a lot more front and center, with healthcare firms desperate to manage rising costs. "They are just now realizing how much they need business people running [their] organizations as opposed to clinicians," Baldwin says. That leaves the industry facing a huge hiring opportunity — recruiters and university administrators report that a much larger pool of MBAs are pursuing careers in healthcare services, biotech firms, and pharmaceutical companies.

With more B-school grads interested in the field, the competition has pushed the bar higher for potential hires. In addition to requisite skill sets in finance, marketing, business development, and management, MBAs still need some clinical, scientific, or healthcare systems knowledge to stand

out. Top schools like [Wharton](#) and [Kellogg](#) prep students with courses like biomedical marketing, e-health business models, and healthcare economics and finance, which because of the multipayer system is strikingly different from finance in other fields. This experience allows graduates to step into product development, product marketing, supply-chain analysis, and senior management roles. "It doesn't matter whether it's a Johnson & Johnson, a Pfizer, or other firm, they're always looking to hire someone who can analyze the science or understand a patent portfolio," says Dr. Gail Naughton, dean of San Diego State University's College of Business Administration. "You can add value from day one."

In a down market, companies are also looking for candidates who are willing and able to perform multiple jobs. "As we and other healthcare firms try to manage costs, we need a workforce that can change roles," says Dana Pulliam Gharda, senior manager of university relations for the California-based biotech firm Life Technologies. Though the company will hire 40 to 50 percent fewer MBA grads this year, Gharda will need product management candidates who can coordinate the marketing and business development of new products on the fly as market demands shift.

Additional reporting by John Maas and Danielle Novy.
