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Rana Florida

CEO, The Creative Class Group & Author, Upgrade

## MBAs are for Managers, Not Entrepreneurs

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A [forum](#) at *The Economist* asked whether business school is worth it. "Most entrepreneurs," it noted, "feel that the money otherwise used for tuition is better off invested in wise counsel and getting that business off the ground." It's no surprise as business school curricula focus on heavy theoretical issues as opposed to practical applications. Steve Jobs, Bill Gates, Mark Zuckerberg, Michael Dell, and Larry Ellison didn't finish college, never mind go to business school.

When I was in business school, an MBA was a pre-requisite for a corporate job, a ticket to a high salary, more or less for life. But our economy has shifted; corporate loyalty has waned and those once coveted jobs, are both harder to come by and far less secure. But the MBA remains more or less the same. A new kind of MBA is required to prepare students for these new volatile, uncertain economic currents. The emphasis needs to be less on getting a job and more on creating jobs for yourself and others.

Core curriculum classes like econ, accounting, finance, and organizational behavior were of little use to me but they make up Harvard's first-year curriculum and are required in most other programs. Entrepreneurs outsource those functions to professionals who are content to work for a middling salary or to consultants on a project fee basis.

Business school curricula need to shift and refocus on topics that have greater application to modern day entrepreneurship. My MBA dream curriculum would include:

1. **How to Write a Business Plan.** Crafting a plan that is both realistic and attractive to funders. This process is not only a great learning experience but will help you stay on strategy, clarify business objectives, create measurements of success and prioritize business operations
2. **How to Get Funding.** Where to go, what the process is, what the expectations are. Understanding what type of financing is best for your business and how to get it at what stage is key. Courses teaching the basics of startup financing, microloans, asset-based loans, bank loans, private loans, 504 loans, 401k financing, royalty financing, angel investing and business incubators would be very helpful.
3. **How to Scale a Business Quickly.** The most important part of a new startup is whether it can scale to become profitable. A company's ability to handle a process of growth is the fundamental basis of future success. Defining what scale means to each organization should be taught through process and case study.
4. **How to Lead.** The top down approach to leadership that they teach in most MBA programs is outdated and antiquated. Today's leaders need to know how to set a vision and inspire their team to deliver; to keep them motivated while mentoring them and helping them develop their skills.
5. **How to Collaborate.** Whether it's industrial designer Marcel Wanders partnering with M.A.C. to design a beautiful new cosmetics line or world renowned architect Zaha Hadid launching a new form of tennis shoe with Lacoste, creative business leaders understand their own weaknesses and look for partners who can add skills and strengths. Two leaders or two brands can be more than the sum of their parts.
6. **How to Take Risks.** Risk taking is in the DNA of companies like Google, Red Bull, Nike, and Target. A class that evaluated case studies on big bets that paid off could be

much more effective than any number of required courses such as organizational management. Curiosity is stifled in a risk-free environment.

**7. How to Evaluate Failures.** Creativity and education expert, [Sir Ken Robinson](#) believes that new discoveries and innovations come out of trial and error: this is a fundamental method of problem solving. Science is about finding out what doesn't work in the expectation of discovering what does. Trial and error is at the heart of all creative processes. If we want to promote creativity and innovation we have to honor and accept mistakes, false starts and dead ends. Creating processes to analyze failure is an invaluable skillset for companies large and small.

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