

Park

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*Newsletter Piece*

*Honors Program*

Why Graduate Programs Are a Good Idea, Part I: Professional Master's Degrees

About half way through my master's degree in public policy, it occurred to me why people go to graduate school. I mean, I went to public policy school thinking that I'd be debating public policy, but oddly, that seemed to be beside the point. The real point came like a revelation: the vast majority of people will work in large, complex organizations. This appeared as a profound insight at the time, but now that I think about it, it just revealed how little I knew in college. Throughout my first year of a two-year master's program, I had been taking courses in advanced economics, statistics, analysis, strategic planning, budgeting, finance, leadership, management, and organizational behavior. It wasn't exactly public policy per se, and I had felt at times as though I'd made a huge mistake, but it did occur to me during the finance class (which I especially hated) that all of these skills and topics would be essential for any manager of a large, complex organization. Most people will work in large, complex organizations, including me—yet with these skills, I could actually become a pretty good manager, especially if I could get through stuff like finance and organizational analysis. I could then deploy the resources of my organization, do things that a single individual couldn't possibly do, and thus become master of my own domain. Now, my fellow students who were older, people who had been “in the real world” and had worked in large complex organizations before grad school, they seemed to know that this was the primary point of going to a professional school of public policy. They got it, and so imagine how happy I was when one of them filled me in.

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Some of the most popular professional master's degrees include business administration (MBA), social welfare (MSW), public policy (MPP) and public administration (MPA), education (M.Ed.), journalism (MJ), and public health (MPH). Other programs are often grouped within a professional school: a graduate School of Design, for example, would offer master's degrees in city and regional planning (MCP), landscape architecture (MLA), and architecture (M. Arch.). There are multiple variants of each kind of professional degree: people get master's degrees in design, accounting, secondary education, urban planning, finance, and so on, but the idea is pretty much the same. All of these programs design their curricula for professionals who will work and manage large complex organizations in these fields—within most two year programs, for example, the first year is devoted to basic research methods and forms of analysis common to the field, while the second year provides exposure to substantive topics in various subspecialties of the field. Almost all research-based master's degrees will require students to complete a substantial research project, if only to deepen their appreciation of applied research.

For instance, my brother took a master's degree in city and regional planning, and the first year was a variant of my first year in public policy. Ed took classes in the history of city planning, metropolitan governance, research methods for urban planning, public finance, statistics, and land use law. His second year was a wide range of electives: local politics, urban race relations, housing policy, and a funky class on “shaping the urban realm.” My second year consisted of national electoral politics, housing policy, urban planning (cross-listed in the Graduate School of Design), higher education law and policy (cross-listed in the Graduate School of Education), and local government law (cross-listed in the Law School). In hindsight, these were really like history courses—what set of policies worked in one setting, what didn't work in another, and what kinds of lessons could be drawn for professionals who might face similar circumstances. Both of us wrote a master's thesis as part of our degree program: Ed's was about labor relations and urban design in the Silicon Valley, and mine was about demographic and organizational changes in the Archdiocese of Boston after 1965.

Because professional degrees prepare people who will work within complex organizational settings, and because these organizations often serve large groups and populations, almost all of the methods common in these programs are drawn from the social sciences. Scholars who specialize in economics and statistics show how professionals can use quantitative methods—literally very large data sets—that can tell them about the shape of a

population, its problems, and possible interventions. Anyone getting a master's degree in public health, for instance, will look at large populations: why do some groups of people have higher rates of disease than others, or why are some medical and policy interventions more likely to succeed than others? In addition to quantitative data, various graduate programs will introduce students to advanced qualitative methods—what's the best way of talking to people and finding out what they're thinking? In other words, what kind of behavioral explanations explain certain trends within large groups of people? Surveys, focus groups, interviews—done well and within a representative sample of the group you're studying—can yield great insights about *why* people behave the way they do. From an organizational perspective, knowing how to analyze and use both kinds of data is invaluable.

Finally, a very large fraction of a professional school curriculum will also involve organizational management and planning. Once an organization knows something about the populations they hope to serve, they still have to figure out how best to reach them and intervene. A professional working for the state department of education might generate even more data about how kids in poorer urban districts are much less prepared for kindergarten than affluent kids in suburban districts. What to do? This professional must figure out how her organization should respond, not just internally, but with other organizations as well, including teachers' unions, local districts, city councils, the state legislature, and so on. She should figure out what kinds of interventions worked in the past and also what didn't. Critics of education policy in general often profoundly underestimate just how complicated and difficult it is to do *anything*, and not just because the problems faced by these organizations are so profound, but also because it's truly difficult to get consensus around any solution across so many different organizations, all of which have their own peculiar organizational culture and interests.

To make things even more complicated, managing people is much harder than it looks. Figuring out how much to pay people who work in the organization, how to retain them, how to train new ones and maybe fire the ones who aren't working out—these are really tough things to do, if largely because most people are so idiosyncratic. Really, no two people are the same, so figuring out how to manage one doesn't help with everyone else. If you end up managing lots of people, you'll need to delegate some of these headaches to other managers who will report to you, but many of these middle managers end up as headaches, too. Knowing how to manage people is an art, a skill, something that can be taught but also something that's intuitive,

requiring a good head, a sound heart, and guts. Many organizations fail due to poor, flat, nearsighted, or tyrannical management.

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Speaking of success and failure, we come to this interesting question: why do MBAs make so much money? Before the current recession, new MBAs from top ten graduate schools in business administration were starting at \$160,000 and above, which is utterly mind-boggling to a much more highly educated academic like me. The answer, though, is somewhat obvious: it's because large corporations work in dynamic and changing environments, they compete with one another over various, highly profitable markets, and a few right decisions can yield huge profits, while a few bad decisions might lead to disaster. Private corporations are all large, highly complex organizations, and quite often, their most valuable assets are their highly skilled, highly trained managers who run them.

Imagine you are an MBA at General Motors in 1960, and you're trying to figure out what kind of car to produce and for what kind of market. You might think you're aiming for American suburbanites with 2.5 children, people who have kids that need to go from school to soccer practice, and maybe to grandma's house on the weekend, all of you travelling on a brand new interstate highway system built during the Eisenhower Administration. You will make bigger cars that drive like cruise ships, because gas is cheap in the United States in 1960, and you'll want your passengers to be comfortable.

Now imagine you're a Japanese guy who got an MBA at Harvard in 1960, one of the first post-war Japanese guys to do that, and you go back to Japan and start working for Toyota. Your market looks different: Japanese streets in Tokyo and Osaka are often narrow, and a car the size of a Cadillac won't fit through large sections of the city. Plus, gas is pretty darn expensive in Japan because all of it has to be imported. In the 1960s, people in Japan earned less money, too, so you'll want less expensive cars that are fuel efficient, could last forever with little maintenance, and just smaller. Japanese governments spent money on railways and choo-choos, not asphalt and concrete highways, and so going to grandma's was more likely to be by train than car anyway.

In the 1960s, Toyota made cars that were inexpensive (cheap) and dinky (small). Although modeled after American cars, they had no cache whatsoever to American car buyers. By the 1970s, Toyota produced the Carina, which was okay, but GM made Camaros and Firebirds, and mostly to compete with Ford's Mustangs. Ever drive a 1972 Ford Mustang GT? It roars like a living thing and at full speed, it could eat a Carina raw, like sushi. In 1972, the MBAs who approved and organized the production of the Ford Mustang made a ton of money for Ford Motor Company, and they probably got fat raises and huge bonuses, too, not to mention free trips to Vegas. The MBAs at Toyota, well, they probably did fine, because the Carina really was one of the most fuel efficient and inexpensive cars that the company had ever produced, even though it looked like a car your Aunt Betty would drive to church. Still, in 1972, if you could place a bet in Vegas, and if the bet said that GM and Ford would be crippled in three decades, while Toyota would become the biggest car manufacturer in the world, what would be the odds? Who in their right minds would have taken that bet?

The great irony in this story is that the MBAs who were visionaries at Toyota often took their degrees from American universities. Many were Japanese, but many were Americans. The Americans were especially helpful, as they encouraged the company to develop manufacturing plants in the United States, and then market to Americans directly. Senior managers from Japan and the United States "imported" various kinds of production techniques to Toyota divisions based in California, Kentucky, and Indiana. They also branched out: now, when you buy a Lexus, a Scion, a Camry, or a Prius, it's a Toyota. That last one, the Prius, is most interesting, as it was conceived at a time when hardly anyone (except Al Gore) cared much about CO<sub>2</sub>, global warming, or left-wing tree-huggers. GM had produced an electric vehicle, the EV-1, but for some mysterious reason, GM limited and then ceased its production. Corporations often flourish upon the mistakes of their competitors, and so it was that the Prius is now one of the most popular cars on the planet, and it's an obvious example of how good corporate managers should think past the moment, to consider critically the shape of the world that will come to be rather than the world as it is now. No single person can take credit for the Prius—it was and is a product of a large, complex, *well-managed* organization. Again, if auto makers based in the United States will ever recover, their corporate managers will need to find that magical and elusive combination of engineering talent, lots of capital, and visionary management.

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The thought of working in a corporation or in a government agency or in some other large complex organization can sound, well, depressing. One thinks of *Dilbert*, or maybe *The Office*, where people spend their days on pointless repetitive tasks as the clock ticks toward five, then boredom, and finally death. Sometimes, sadly, this kind of life does happen. The good news, however, is that it doesn't have to happen this way. Indeed, by finishing college and getting a good education, one can avoid this entirely. Moreover, by enhancing one's skills even further, one's life can be richer in every way.

Problems like global warming, rampant inequality, both within nation-states and between nation-states, sustainable economic development in a diverse world interconnected as never before, public health problems that span the world—all of these complex problems will require the sustained effort of many, many large complex organizations. These organizations can be private corporations, public organizations like government agencies, large philanthropic and non-profit organizations, all of them with very complex structures, cultures, and missions. And yet students with a broad liberal arts education are uniquely positioned to contribute their skills and talents: running and managing an organization requires technical skills, but it's also an art and one needs vision and an appreciation for history and a willingness to learn from past mistakes and successes. One needs to *see*, to have eyes trained to value the beautiful, the good, and the just. Resource constraints will require managers to think critically about how best to deploy what they can, and this inevitably requires a solid grounding in economics, statistics, and other quantitative methods. A skillful manager of people is at once a psychologist, an anthropologist, a sociologist, and a politician. Internally, all organizations experience drama. Because no single person can master everything, the best managers are often the ones who know their limits and can find the right kind of help, thus coordinating the work of many other people. Far from being boring or deadening, a professional life deeply involved in these processes can be intense, endlessly rewarding, and lots of fun. People with advanced professional degrees almost always report greater satisfaction with their work, and for reasons that will be obvious once you enter the real world, too.