University of Alabama meets the demand for business-and analytics-savvy grads

Denise McManus, Director of the Institute of Business Analytics, Culverhouse

Industry

Education

Business Issue

University of Alabama saw increased demand for business students with analytics skills.

Solution

UA is teaching business analytics and data mining in multiple degrees and concentrations using SAS Enterprise Miner.

Benefits

MBA students with an analytics concentration are quickly hired and earn $10,000 to $15,000 more in starting salary than those in some other MBA concentrations.

The University of Alabama was an innovator in adding data mining courses to its master's degree in applied statistics. Now it's responding to the demand for MBA students with business analytics skills by adding a concentration to its Master of Business Administration degree. It has become one of the first in the nation to offer this type of degree. Graduates with this concentration are attracting starting salaries $10,000 to $15,000 higher than some other MBA concentrations, with 100 percent job placement within 90 days.

"We were increasingly hearing from employers that they needed MBA candidates with a thorough understanding of business analytics," says J. Michael Hardin, Dean of the Culverhouse College of Commerce and Business Administration. Professors use SAS® Enterprise Miner™ as the data mining software for teaching analytics in the MBA and applied statistics programs. Just three years after starting the MBA concentration, the analytics option is tied with concentrations in management of information systems and supply chain for providing the highest starting salaries. The analytics concentration attracts about one-sixth of the graduating class (15 students).

The school has seen such a high demand for analytical talent from employers that it is also adding a business analytics track to its applied statistics major and an online master's degree in statistics and business analytics.

A tradition of teaching analytics

In 2004, when Culverhouse graduated its first class of applied statistics majors with a data mining concentration, the school saw an immediate demand for their services. Students were getting snapped up by companies like Federal Express and AutoZone, large insurance companies and major national banks. In the intervening years, those 25 to 30 yearly graduates have continued to find jobs quickly. SAS has hired some of the students, and several have moved into management positions and now return to UA to recruit students.

Applied statistics and the MBA program are housed in the same school and, over time, some MBA students took courses in data mining. "But they couldn't fit the four courses in," explains Hardin.

Taking the next step: Adding an analytics concentration to an MBA

Meanwhile, the school was hearing from employers that they needed the type of graduate who could bridge the gap between the hard-core technical individuals and the marketing, finance and risk people who needed to work in more analytical ways. Enriching the MBA program with a concentration in analytics seemed the perfect fit.

"We've found companies hire our MBAs, because they are the great liaison between the analytics side and the business side," explains Denise McManus, Director of the Institute of Business Analytics at Culverhouse. In addition, Alabama is now attracting companies to recruit that "typically only

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recruit at four or five campuses nationwide,'' Hardin says. Employers tell him, "Your students can come in and add value immediately."

Culverhouse is innovating in analytics in other ways as well:

- The college hosts a Business Analytics Symposium that attracted more than 130 people last year and expects to host 300 in the upcoming year. Several companies attend because of their interest in recruiting UA students. "We're discovering that companies want to establish a relationship with our students very early in their academic career," McManus says.
- The college is creating a STEM (science, technology, engineering and math) path to an MBA that would allow undergraduates to get a STEM-related bachelor's degree and an MBA in five years. Hardin expects some of those students to want the analytics concentration.
- Within the applied statistics master's degree program, the school is adding an internship component and a data warehousing course to enhance its new analytics track. This track is also designed to attract students who don't otherwise have the theoretical math background for a more traditional applied statistics master's degree.

Hardin says he thinks analytics needs to be integrated across the business curriculum and he is eager to have UA at the forefront of that effort. "We need graduates to have the critical skills that are in demand by industry today. They need to be able to quickly add value by using their firm business background combined with their solid analytics knowledge. We believe we are the leaders in integrating analytical education into the business and statistics curriculum."