

Transcription - Alexander Lowry Part 1

Welcome back, I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec. Today we have another of our international guests and this is Alexander Lowry. So hello Alexander.

Pleasure to be with you today.

Do we call you Alexander?

That's what I tend to go by but I've been called all sorts of names.

I think we'll stick with Alexander then. Alexander you're currently very involved in the education field. Would you like to share with us the journey that has brought you to that point?

Sure and I should say that I never expected this twist and turn. So for me, when I finished undergraduate I went off and started my management consulting career, based in New York and London, working with executives around the world, lots of travel, different industries, solving different problems, absolutely loved it. But I had always anticipated being on Wall Street at some point because I had that itch that I wanted to scratch for my career. So I went to business school and got my MBA at Wharton, from there transitioned to working at JP Morgan for 4 and a half years before an opportunity came up for something that had been on my heart. If we go back about 10 years ago, the opportunity came up at Gordon College to build and launch a one-year Master's Financial Analysis program, a more affordable way of getting an MBA, focussed on producing ethical students to make a difference in that space and I thought this was what my time and talents should be used for. I've transitioned over from teaching the program to being a director of it.

You're finding that it's fulfilling?

You know, in so many ways I hadn't anticipated. If my wife were on the show she would say instead of working 100 hours a week like I did at the Bank, I actually get home to see my family, I can have breakfast and dinner with them!

That's fabulous. To have something that has given you that broad view of education and industry but to have the balance is very impressive. Well done.

Thank you.

And equally as important is what you're doing with enlightening people about how to behave in the workforce. That's excellent.

Well, we like to think that we're helping the students go from the classroom to the boardroom, preparing them not just for their first job, but for their last job. They're out there to make a difference and then pay it forward to carve the way for people to follow on after them. The reality is I think businesses can do well while doing good. We don't have to be greedy, we should all be giving back while we're still doing well. There's plenty out there to be shared.

You've probably covered the first of the questions that we wanted to talk to you about, about why the move, but I'm interested now, just in hearing those ideas that you've expressed, the age group that's coming through your course now, is that what you expected?

I think whenever you launch a product, whatever business you're in, no matter how much research you've done, there's always going to be some surprises. So for example, I've been a little surprised at some of the segments that were attracted to our product that I did not anticipate such as actuarial science type students which I didn't think would see it as a draw but they have. I didn't anticipate the accounting students would find it a draw but if I put myself in their shoes, you can go get a Masters in Accounting or Taxation but then you've really specialised to the point where you could be at a disadvantage. Whereas, if you broaden yourself out, such as with our program, you can control more of where you can be of use. We thought it was a niche program but we're finding it attracts so many different people which is exciting and a good perspective shift.

Are you getting people who don't have the financial background?

Yes we are. That has also been a surprise for me. I've seen a lot of people that are thinking about going to do an MBA, maybe for a career change, switching over to finance or coming from liberal arts after realising what they are passionate about, or wanting to make a difference in the world and need an opportunity to get a job in that space. So they need a credential to move forward.

You still combine that with passion by the sound of it.

To be honest I would actually say that when someone is hiring the qualifications don't matter, it's do they have intelligence and passion. Because if they're smart and have the desire to do it relentlessly, I can train them to do anything. I believe

what happens instead, is that most hiring managers want someone who has been there and done it before. That's not a good hire because they're going to get bored. No-one wants to do the same thing all the time, forever.

Can you tell me what was the biggest change that you had to make, apart from the number of hours that you're working? What was the biggest change you felt you had to make going from that corporate environment to an educational environment?

There's probably two changes. One I had anticipated and the other was surprising. First was bringing my business mindset, my management background looking at can we do this more affordably, can we use a system for this, can we use our process in a better way, into education. And there's a reason that a lot of really smart people, even in non profits, need to run in a small way as a business. If you don't run like a business you won't be in business for very long. I anticipated needing that but I guess I had not really fully understood the degree to which the non profits, particularly education one, have a pace that is so much slower for change. The people numbers in the education space by comparison to say JP Morgan where you have a quarter of a million people - a battleship can't stop on a dime. The education industry as a whole does not really turn.

I wonder what sort of technology you are using in the education space to help the students or is it more face-to-face and people interaction?

That's a great question and I think we're seeing the education space begin to change. We can have a conversation now as if we were sitting in the same room together from literally the other side of the world. You can do it on the phone, you can do it with video. There's no reason that someone who is sitting in Kuala Lumpur or Nairobi couldn't be in the classroom with us, the technology is so incredible. Gordon College is just about to roll out, sometime between this semester and next semester, the opportunity for us to do that face to face with students around the world because we want to bring this education we have to them. We've found when people are hiring these days, the younger generation wants what they want now, that's what they've been used to as consumers, so we've changed our educational model and I'm sort of piloting the new way for Gordon College to do that. The industry is slowly beginning to do that. We probably saw in the last 10-15 years, more schools building more campuses around the world, but that's incredibly expensive.

These days instead of paying money to build a new dorm, why don't you build a new facility with top notch educational technology that you can bring to a broader

base than you can possibly imagine.

It seems to me that you introduced a paradigm shift in terms of thinking about how an MBA or MBA equivalents could be awarded. And now it's another paradigm shift in the actual physicality of that educational process. What's the next thing? What are you going to move on to next?

That's very kind of you to say. I think we're still struggling, not just my university but the entire industry. The way that I tend to think about it is the US has most of the best MBA schools, a lot of people come from around the world to go here but they are incredibly expensive. So I went to work and the average MBA 2 year program in the US is about \$US140,000. The top programs like Harvard and Wharton cost about \$200,000. That's a lot of money. It doesn't even account for salary you haven't taken by being out of work for a couple of years so the opportunity cost is massive. Part of my thought process was that we can do a lot of the same material if you are willing to change your approach.

The typical MBA is that you go and do a lot of general operational courses, you do a summer internship and you realise you do want to specialise. So you come back in your second year and you specialise. My thought process is that if you know what you want to specialise, let's take that second year experience. We can do it in half the time and for a quarter of the price. People have undergraduate debt already and we need to change the model. I think that's slowly taking hold. We have seen the MBA applications fall off over the past five years because the younger generation is saying, actually, I've got a lot of debt already. So you're seeing schools change their MBA offering and move it entirely online which is a fascinating shift because they're kind of cannibalising their own business. I'm not sure anyone knows exactly where it's going to go yet but it's fun watching the changes happen.

In terms of industry, do you say that industry is accepting of the variety of qualifications that are coming out at that level now?

It's a wonderful question, thank you so much for asking. So I will geek out for a minute on US laws. In America you are legally allowed to discriminate on whether someone has a university degree or not. You can literally have a checkbox on your application form "do you have a four year degree?" So if someone says no, you're allowed to disqualify them. You cannot do that with an advanced degree but employers basically know this is a great way to screen. For example, on JP Morgan's application, if you are a mid level or senior level role, it says advanced degrees are preferred. You might as well triple underline it. If you

don't have it, the robot's not going to let you through, simple as that. Now, it doesn't care what your advance degree box check is, you can have a Masters in Social Work, Public Health MBA and to some extent they're all the same but my point is if part of what you're doing is going to change careers and get a job, could you check the box a better way and the answer is yes.

You can argue that you're still going to get the same knowledge because, frankly all the programs are using the same textbooks and if you're going to get a great network out of it, maybe there's a better way to do it.

Longer term would you look for industry partners for the work that you're doing?

Absolutely. So from our perspective we're getting a lot of great feedback on our students because our model is based on building ethics in every class we run . I'll give you an interesting parallel. So when I was at Wharton, I talked about how in first year you take all those different subjects, we had one class on ethics. We had the professor who had been teaching it at Wharton for 40 years, walked into the first class, 90 students in the room and he walks down to the front of the class and throws this huge manilla folder down on the table and points to it and says "these are all my students from Wharton over the past 40 years who have gone to jail and I'd like to not add to it this semester". We can rationalise that a little bit, right, because Wharton is one of the biggest business schools but it doesn't really explain it. There's got to be a better model than having one class on ethics. How about ethics is everything, it's in all of your classes because this is the right way to do business. So, we are finding businesses who have an approach of that is what we'd like to be doing. I think that's going to naturally come. We're only a year, starting year two of this program so we grow on our reputation. I think that will snowball.

It's really encouraging to hear. At this point, we're going to take a break in our discussion with Alexander. In part 2 of our discussion we'll continue looking at the ways that changes are happening in higher education and how they affect the business and corporate world. But for now I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec.