When Doctors Go to Business School: Career Choices of Physician-MBAs

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ABSTRACT

There has been substantial growth in the number of physicians pursing Master of Business Administration (MBA) degrees over the past decade, but there is continuing debate over the utility of these programs and the career outcomes of their graduates. The authors analyzed the clinical and professional activities of a large cohort of physician-MBAs by gathering information on 206 physician graduates from the Harvard Business School MBA program who obtained their degrees between 1941 and 2014. Key outcome measures that were examined include medical specialty, current professional activity, and clinical practice. Chi square tests were used to assess the correlations in the data. Among the careers that were tracked (n = 195), there was significant heterogeneity in current primary employment. The most common sectors were clinical (27.7%), investment banking/finance (27.0%), hospital/provider administration (11.7%), biotech/device/pharmaceutical (10.9%), and entrepreneurship (9.5%). Overall, 84% of physician-MBAs entered residency; approximately half (49.3%) remained clinically active in some capacity and only one-fourth (27.7%) reported clinical medicine as their primary professional role. Among those who pursued residency training, the most common specialties were internal medicine (39.3%), emergency medicine (10.4%), orthopedic surgery (9.2%), and general surgery (8.6%). Physician-MBAs trained in internal medicine were significantly more likely to remain clinically active (63.8% vs 42.4%; $P = .01$). Clinical activity and primary employment in a clinical role decreased after degree conferment. After completing their education, a majority of physician-MBAs divert their primary professional focus away from clinical activity. These findings reveal new insights into the career outcomes of physician-MBAs.

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Confronting the contemporary challenges facing healthcare delivery—variable clinical quality, high costs, and poor patient experience—will require skilled physician leaders who can seamlessly blend clinical knowledge and management acumen. Many observers have argued that formal management and leadership training for physicians is an important strategy to address this need.[1,2]

Although management education is slowly being integrated into medical school curricula, the prevailing approach for teaching these skills remains in Master of Business Administration (MBA) programs.[3] Over the past decade, there has been tremendous growth in the number of physicians pursuing dual training in medicine and management; in 2000, there were fewer than 30 joint MD/MBA programs, but by 2012, the number had more than doubled to 65.[3] An increasing number of physicians are also returning to business school after completing their clinical training through full- or part-time MBA programs.[4]

There is continued debate over the benefits for, and career outcomes of, students enrolled in these programs.[5] Many medical schools launched joint degree programs in order to train the next generation of clinical leaders—as skilled in management as they are in medicine. Anecdotally, healthcare professionals often suggest that MBA degrees lead physicians to choose jobs in industries such as consulting, finance, or the pharmaceutical industry, that are more lucrative than those in clinical practice and management. Despite these assertions, few studies have rigorously explored careers pursued by physician-MBAs.

Methodology

To better understand this issue, we gathered information on the clinical training and current professional activities of 197 of the 206 physicians who have received an MBA degree from Harvard Business School (96% sample). We used self-

reported graduate information from the school's alumni database. When informational gaps were identified in that database, we used LinkedIn, Doximity and Google searches to fill in individual work histories.

Take-Away Points

This analysis of all physician-graduates from Harvard Business School provides new perspectives on the careers of physicians with a Master of Business Administration (MBA) degree.

- There was significant heterogeneity in current primary employment sectors. The most common sectors were clinical, investment banking/finance, and hospital/provider administration.
- The majority of physician-MBAs enter residency, but less than half remain clinically active in some capacity. Those trained in internal medicine were significantly more likely to remain clinically active over time.
- Clinical activity and primary employment in a clinical role decreased after degree conferment. After completing their education, a majority of physician-MBAs divert their primary professional focus away from clinical activity.

Results and Discussion

Several illustrative trends emerged from our analysis. Among these physician-MBAs, there is significant heterogeneity in primary employment and specialties. The 5 most frequent primary professional roles were clinical (27.7%), investment banking/finance (27.0%), hospital/provider administration (11.7%), biotech/device/pharmaceutical (10.9%), and entrepreneurship (9.5%). Surprisingly, only 4.4% worked primarily as management consultants. Among the 166 individuals who pursued residency training, the most common specialties were internal medicine (39.3%), emergency medicine (10.4%), orthopedic surgery (9.2%), and general surgery (8.6%).

We found significant time-related trends in clinical activity. Overall, 84% of physician-MBAs entered residency; roughly half (49.3%) remained clinically active in some capacity, but only a quarter (27.7%) reported clinical medicine as their primary professional role. Our data also indicate that physicians with management training reduce their clinical activity over the course of their careers (**Figure**). From the time of obtaining their terminal degree, clinical activity and primary employment in a clinical role decreased significantly, reaching nadirs of 20.69% and 6.90% after 10 to 14 years. Interestingly, an increase in activity was noted 15 or more years after the physicians completed their education. The observed pattern could represent a combination of changes in the professional aspirations of students enrolled in joint MD/MBA degree programs over time—perhaps due to changes in macroeconomic factors affecting clinical and nonclinical sectors at the time of their graduation—as well as a career trend in which MD/MBA alumni become increasingly likely to forgo clinical practice in later stages of their careers. Our data do not allow us to test these various explanations directly.

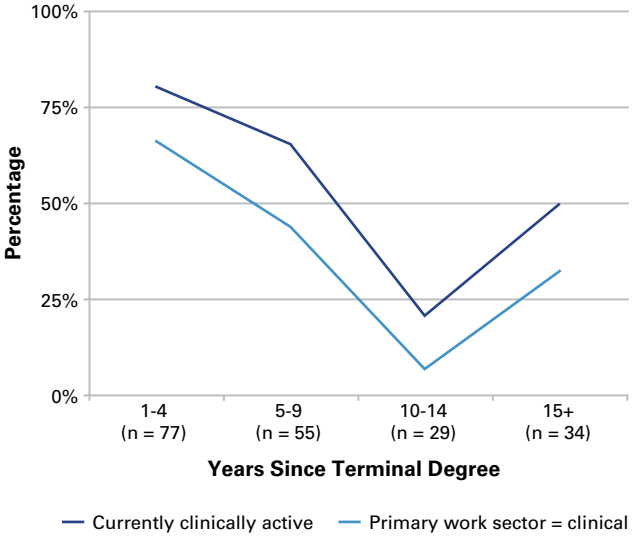
Physician-MBAs trained in internal medicine were significantly more likely to remain clinically active than their peers who trained in other fields (63.8% vs 42.4%; $P = .01$). This association could stem from different career priorities for individuals training in internal medicine, or it could represent the fact that, compared with other fields (eg, surgical specialties), it is more feasible to integrate part-time clinical work into a career in internal medicine.

The limitations of these data are 2-fold. First, they represent the experience of a single business school that may not be representative of the broader physician-MBA population. Second, the motivations for pursuing an MBA degree and the eventual career paths of physician-MBAs are dynamic. For example, whereas previous generations of physicians may have pursued management training to escape clinical practice, today, others may do so in preparation for positions of clinical leadership or as policy makers.

These outcomes raise important questions, the interpretation of which, depends on one's perspective on the appropriate role of physician-MBAs. If we assume that role is to provide clinical leadership and management within delivery systems, then we might be discouraged by the fact that only 11.7% of physician-MBAs hold management positions in provider groups, hospitals, or health systems.

If, however, we take the view that other domains of the healthcare industry benefit from additional clinical perspective delivered by physician executives, then the observed trends could be viewed more positively. This perspective is

Figure. Trends in Clinical Activity



akin to the established benefits of training MD/PhD physician-scientists, whose laboratory careers take them out of the clinic, yet their work is still informed by clinical insight. Our view is consistent with this latter perspective.

Conclusions

As the healthcare industry occupies an increasing share of the US economy, we will be well-served if physicians with clinical perspective are integrated into other sectors of the healthcare economy. These physicians can provide critical clinical insight into management decision making that has previously lacked such input. That said, medical educators should pay careful attention to the overall numbers of physicians whose training involves management education and consider developing alternative pathways for clinical management education that keeps trainees firmly grounded in healthcare settings. A delicate balance is needed to ensure that the proliferation of formal management training for physicians is effectively and efficiently translated into achieving the national goals of better care and lower costs.

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