

# Having an MBA in 1993 was a tremendous competitive advantage | Martin Sauer, RBS

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by Cristina Muntean

## Part two in a series by the Katz Graduate School of Business

Martin Sauer, the Deputy Head of Corporate Coverage with the Royal Bank of Scotland (RBS) in the Czech Republic and Slovakia was one of the first graduates of the master of business administration (MBA) program provided in this country by the University of Pittsburgh's Katz Graduate School of Business. At that time, it was administered under the Czechoslovak Management Center (CMC) in Čelákovice. The partnership lasted from 1991 till 2003. In 1998, the full-time MBA program was transformed into an executive format as the International Executive MBA, nowadays Executive MBA Worldwide Program run independently by the Katz School in Prague, Pittsburgh and Sao Paulo.

Talking with Martin Sauer is like diving back into the optimistic mood of the early '90s, when everything seemed possible. Getting an MBA so soon after the regime change meant not only an open door to faster career growth, but also a solid base for bolder business decisions and valuable relationships with other graduates, he said. This year, the Katz Graduate School of Business is celebrating the 20th anniversary of the graduation of its first MBA students in the Czech Republic. There are now more than 500 Katz alumni in Europe.

### **Q: How long have you been working for the Royal Bank of Scotland (RBS)?**

A: I joined ABN Amro in 1993, then I left for a few years, but later I returned and I've stayed with the bank ever since. ABN Amro was bought by RBS in 2007, so you could say I've been with RBS itself for five years. But altogether I've been with this bank for a pretty long time.

### **Q: You're one of the first graduates of the Katz Graduate School of Business in Prague's MBA program. How would you describe your relationship with Katz over the last 20 years?**

A: The years immediately after the Velvet Revolution, when the MBA program started in Čelákovice, were great. There were lots of changes, positive expectations - not such a bad mood as now. This was a tremendously optimistic period. At that time, I wasn't working in Prague or in the financial sector; I was a civil engineer working for a chemical company in the field of planning and development. For me, everything was new. When we joined CMC, we were the first MBA class, and we still meet and have a good time together. During that year in Čelákovice I picked up a lot of new information, but I also met a lot of new people and had a great time both building up my knowledge base and making quality relationships.



Martin Sauer

### **Q: How did it work at that time? Was the idea of attending an MBA program yours or your company's?**

A: Let's say it was a mixture. Since I really didn't like the Communist regime, I took an active part in the Velvet Revolution. I was one of the leading members of the strike committee at Spolana Neratovice. Afterwards, it was pretty obvious that the regime was changing. At that time, Spolana was a really large company by Czech standards - it had more than 5,000 employees. So, we were thinking about how to run it without the Communists. Basically, the idea was, "OK, we need to select some smart young guys and train them." Part of this selection process was our new HR manager getting in touch with people from Čelákovice

to design a program custom-made just for Spolana. The school told us they were starting this MBA program, so if we had some people that qualified, they would be welcome. So when I was organizing this, I said to myself I should give it a try too. With two other guys, we joined the MBA program. It was good timing, and there was also a desire on my part to change career path. I wanted to broaden my knowledge, and this was exactly what I had in mind. I have always been very good at mathematics, so the financial side was pretty interesting for me.

**Q: How old were you at the time?**

A: I was 27. Surprisingly, I was one of the three youngest guys in our class. There were some funny situations when the eight of us went to Pittsburgh. The oldest guy in the class was around 40 and had a beard, and some other classmates mistakenly thought he was a new visiting professor.

**Q: What was your position when you started the MBA program?**

A: I was running a small department responsible for the company's future development.

**Q: What was your understanding of the word MBA at that time? What did you imagine when you decided to take an MBA program?**

A: Initially I thought it was just a good management course. That was it. At that time, maybe some people had a good idea what it was, but I didn't.

**Q: How did this understanding develop in time? How do you react now when you hear someone has an MBA degree?**

A: It always depends what sort of an MBA it is. If someone is a graduate of a local or foreign school with an MBA title obtained in three months, I don't take it too seriously. On the other hand, if somebody has an MBA from a reputable school, I believe that person should have a broad picture of how things work in business generally. Of course, it also depends on whether or not I'm hiring that person. In that case, I would look for people who have some basic knowledge of the financial sector. In general, an MBA should be some sort of guarantee that the guy knows at least the business basics.

**Q: Since 1993, when you graduated from the Katz MBA, there's been an explosion in the number of MBA schools and programs on the Czech market. What makes the reputation of a good MBA school, in your view?**

A: I think we can divide it into two parts. I think if somebody has an MBA from [the Wharton School of the University of Pennsylvania], I can guess immediately that that guy is pretty good at finance because it is one of the top schools based on all media rankings. Reputations are created by the media and the business press, but also in the field: if I meet somebody from INSEAD, I know that's a good school. On the Czech market, I'd say personal experience is even more important, because a little bit of tradition also comes into play. CMC and the University of Pittsburgh have been around for quite some time, so for me that is a badge of quality.

**Q: Usually accreditation is also one of the main criteria when it comes to choosing an MBA program. If you were to advise someone trying to choose an MBA program, what exactly would you tell him or her?**

A: I would advise the guy to find somebody who went to that school and ask him personally. That's always best. For me, it is always best to have personal experience and a first-hand recommendation.

**Q: Overall, do you feel that getting an MBA degree so soon after the Velvet Revolution was an advantage for you in your career?**

A: Having an MBA in 1993 was a tremendous advantage. In many ways, we had it much easier than the guys now because the competition was so much weaker in those days. For us, or for me personally, reasonably good English and a fresh MBA were enough to get me to ABM Amro Bank, which at that time was one of the top 10 banks and one of the top employers on the Czech market. I became the head of the credit department without any previous finance sector experience at all. That would be absolutely impossible these days. So, these days, even with a good MBA title, you have to start out as an analyst and work your way up the corporate ladder. We had it much easier. Also, I must say that the MBA program gave me a solid base in all the important areas of the business, such as finance, marketing and strategic thinking. It would have taken me much longer to learn these things on the job.

So, for me, the MBA program was really indispensable. In a way, I am a good example of an MBA graduate because before it I had very limited knowledge of business, and the program was a big leap forward. There were some pretty experienced guys in our class, and for them the difference maybe wasn't that big but, for me, obtaining an MBA in 1993 was a really huge step. I am so glad that I did it so early in my career, but also that the Communist regime collapsed soon enough for me to jump in. I was still young enough to realize my potential - unlike our fathers, who also had talent, but weren't able to develop it and thus missed out on many good opportunities.

**The Katz Executive MBA Worldwide Program prepares established business leaders for strategic roles in global economy [Learn more](#)**

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