

Management on a Mission

The last 15 months have been anything but dull for business educators. The failure of so many MBA-educated business leaders sparked a flood of questions about the content and consequence of management education. Business administrators and faculty have weathered another round of scrutiny and debate about the value of business education. They've reconsidered what they teach and how their programs influence students' choices after graduation.

But the financial collapse has had another effect—it has inspired renewed excitement about the business school mission. In many ways, current events have underscored what most business educators knew all along—that what they teach and what their students learn will be of exceptional importance to business and society in the years to come.

Here, six deans share ways that their schools have redefined, redesigned, and realigned their programs in response to the continuing evolution of business. They emphasize that the flood of change in the global business community over the last decade hasn't just sparked a re-evaluation of the business school mission—it has intensified the world's focus on the true purpose of a business education.

It's an important time in history for business schools, as they re-examine, refine, and redefine their curricula, their mindsets, and their missions.





Embracing New Mindsets

Peter Todd
Dean
Desautels Faculty of Management
McGill University
Montreal, Canada

Our recent economic turmoil has sparked widespread soul-searching about the approach of business schools in educating managers. How is it that so many smart people made poor decisions? In the words of Henry Mintzberg, “The economic crisis is not a financial one. It is one of management, and management education has been a significant part of the problem.”

It is true that many business schools have relied on an excessively analytical, detached style of management and graduated overconfident MBAs with too little contextual experience. For many years, the business school curriculum viewed management primarily as a science and generally emphasized mastery of techniques to provide solutions.

Because we believe it’s so important to teach business in a broad economic and social context, the Desautels Faculty of Management last year launched new master’s and executive programs. Constructed around the concept of “integrated management,” these programs are inspired by Mintzberg’s holistic learning philosophy, outlined in his book *Managers, Not MBAs*.

From the start, we want students to understand how all parts of an organization work, fit together, and connect to the economy and society. Gone from our core curriculum are purely functional courses in finance, accounting, marketing, organizational behavior, and strategy. These topics are still covered rigorously, but they now are interwoven throughout our courses to show how they relate to each other and to the organization as a whole.

Students begin the program in August with the course “Business Analytics,” which develops their statistical, accounting, and math skills before the start of the fall semester. Next, they take “Global Strategy and Leadership,” which requires them to reflect weekly on what success means for them, as well as what personal, organizational, and societal responsibilities will come with that success.

Within this personal context, students complete the next three courses of the integrated core. “Managing Resources” is team-taught by professors in organizational behavior, finance, and information technology. This course is coupled with “Value Creation,” which integrates marketing, economics, and operations management. In these two modules, students study the same company through multiple lenses, analyzing the human, financial, and technological resources managers use to create value.

These courses are followed by “Markets and Globalization,” where strategy, marketing, international business, and economics are brought together. It teaches a combination of hard and soft skills and encourages students to examine how business decisions cross functional silos. Finally, each student completes a real-world internship, international experience, or field practicum.

After the core curriculum, students can specialize in one of four concentrations: global strategy and leadership, technology and innovation management, finance, and marketing.

A panel of executives supports each concentration, providing live case studies from their businesses and sharing their insights in class.

Most recently, the division president of a Middle Eastern engineering and construction firm talked with students about the macro- and microeconomic difficulties of doing business in the Gulf region. He challenged them to devise strategies for sustainable business development that would work within the region’s complex sociopolitical context.

In a recent speech at McGill, former President Bill Clinton talked about a new kind of leader, one he called a *communitarian*. These are leaders who recognize how the big picture relates to the details and how their decisions can have long-term consequences on the community around them. Mintzberg, too, challenges business to build a sense of “communityship,” by encouraging individual initiative, collaboration, and a focus on long-term value.

But will changes in our programs alone make our students the next generation of great leaders? No. Students can develop leadership skills through an MBA, but no MBA program can guarantee to produce great leadership. What an MBA *can* do is give individuals the tools to become better, more responsible managers who think about the big picture and the long term.



By providing students with a broader base of knowledge in science and government, we prepare them to align an enterprise's technical operations with its commercial functions.

Leading the Way

David A. Gautschi

Dean

Lally School of Management & Technology

Rensselaer Polytechnic Institute

Troy, New York

This moment in history has inspired an important question for business schools: How can we evolve with business to assure that we continue to deliver value to society?

I believe that the answer lies in presenting business to our students in the larger context of scientific, technological, governmental, social, and psychological factors. To do so effectively, business schools should lead the way on the university campus, taking the initiative to establish coalitions with their academic partners in engineering, math, science, political science, history, philosophy, and psychology. To refine our missions, we must redefine the boundaries of business.

According to the U.S. Council on Competitiveness, fewer Americans are pursuing education in science, technology, engineering, and math (STEM). More troubling, there is a technological divide between STEM-trained specialists and business leaders who do not know how to take advantage of, or communicate with, the scientists in their organizations. This divide results in a wealth of untapped human potential in our businesses—and a considerable cost to society.

Likewise, few if any businesses operate without the influence of government policymakers. The government provides incentives and subsidies to encourage business activity that builds society, and it levies disincentives and penalties for activities it deems harmful to the common good.

Even though two of the most prevalent influences on business are technology and government, many business students graduate with little to no understanding of scientific or governmental processes. But to navigate the business context successfully, business students must know how to communicate effectively with scientists and government representatives. They should understand history, political science, and comparative systems.



To impart this knowledge, business schools must work with their academic counterparts across the university campus. These often are not easy partnerships; disciplinary biases can hamper planning, and suspicions can stall dialogue. But the business school could lead the way, initiating an intellectual *rapprochement* with its prospective partners.

For example, at the Lally School of Management & Technology at Rensselaer Polytechnic Institute in Troy, New York, we are piloting our technology commercialization and entrepreneurship (TC&E) program. TC&E is the result of collaboration with 11 other academic units across campus. Students can earn one of two degrees: a bachelor's in business and management with a six-course minor in one of the collaborating departments, or a bachelor's in a science or engineering discipline with a six-course minor in business and management.

After they complete this honors program, students can move on to a one-year master's program. There, they complete advanced coursework in business and management, their chosen technical disciplines, and the law of business formation, contracts, and intellectual property.

We view TC&E as a modern alternative to the traditional MBA. By providing students with a broader base of knowledge in science and government, we prepare them to align an enterprise's technical operations with its commercial functions.

According to a recent survey conducted by the U.K.'s Ashridge Business School, fewer than 8 percent of the CEO and executive respondents "believe business schools have very effective responses in place" to prepare students for 21st-century challenges such as climate change, resource conservation, or poverty. We can counter that perception by acknowledging, in our programs, the intersection between business, technology, and the social sciences.

In that way, all business schools can become stronger leaders in their universities, and enhance the social value of the university itself, by collaborating with their academic partners across the campus. Through these collaborations, we can prepare the next generation of business leaders to understand the scientific and political drivers that will shape business innovation.

Margaret Zokowski also contributed to this article.

Building on Our Strengths

Thomas Gilligan

Dean

McCombs School of Business

The University of Texas at Austin

To prepare the most successful business leaders, business schools must actively seek solutions to the challenges the world is facing. That means that each school must look for capabilities within its own community to have a direct and positive impact on business.

At McCombs, our leadership team identified our two central areas of strength. The first involves energy and sustainability. Almost 1,500 energy company headquarters are located near our classroom sites in Austin, Dallas, Houston, and Mexico City, making these topics a natural emphasis in our curriculum. To build on this strength, we recently established our Energy Management and Innovation Center to identify technologies and innovations coming out of the university and translate them to the marketplace. We are creating focused studies on energy in our MBA programs, as well as developing joint or dual degrees with colleges such as the Cockrell School of Engineering and the Jackson School of Geosciences, institutions that specialize in energy study.

Our second strength involves innovation and new business creation. The Moot Corp business plan competition originated on our campus in the 1980s, and we plan to expand on that history. We soon will announce an initiative that will move beyond the context of the Moot Corp competition to emphasize business creation for real-life entrepreneurs. Our restructured approach in this area will reach across the university to tap entrepreneurial talent wherever it resides.

There is much to do, but to succeed, we know that business schools must bring their missions in line with their strengths. By mining our strongest assets at McCombs, we can broaden our impact, not just in education, but in a global community that is demanding the best we have to offer.



Emphasizing Responsibility

Eon Smit

Dean

The University of Stellenbosch

Business School

Bellville, South Africa

The University of Stellenbosch Business School has revised its MBA degree to be more functionally integrated and linked to business applications. We are placing a stronger emphasis on core competencies in leadership, personal reflection, and social responsibility—not just for our students, but for our entire business school community.

Our MBA students participate in leadership councils where they receive peer-based feedback and discuss their progress. Resident psychologists work with our students on a one-to-one basis to further their personal development.

In addition, students compile journals throughout the year, in which they focus on critical incidents that influenced their own development. And we now ask our students to delve more deeply into issues such as governance and ethics, spiritual leadership, conflict resolution and negotiation, and NGO management. They study business at the base of the pyramid, environmental finance, and sustainable development.

Finally, we make business school involvement in community projects a top priority. Like our larger university, USB supports a “pedagogy of hope” for South Africa and Africa as a whole. To further the development of African economies, we have established research centers for leadership, sustainability, governance and ethics, entrepreneurship and negotiation, and arbitration. We also have designed two new master’s degrees, one in coaching and the other in development finance, to educate professionals who can advise and support Africa’s promising entrepreneurs.

Recent events also have underscored the unpredictability of business systems, the ramifications of the increasing entropy in these systems, and risk in the global context. For that reason, we offer our students a thorough schooling in chaos theory, systems theory, and systems thinking at the onset of the MBA program. As educators, we believe our mission is to help students better understand their role within the world—and to take a greater role ourselves.





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“In many ways, business education is behind business practice when it comes to sustainable enterprise and development.”

Filling the Void

Hildy Teegen

Dean

The Darla Moore School of Business

University of South Carolina

Columbia, South Carolina

The Darla Moore School of Business has specialized in teaching international business for 40 years. But today, there isn't a business school that doesn't promote its programs in international business. Because of that reality, building upon our greatest strength has become even more critical. That's why we recently decided to extend our focus into the area of sustainable enterprise and development.

So much work is being done in our region, and at our own university, in alternative fuels, nanotechnology, and biotechnology. We know that the University of South Carolina will expect us to play an important role in commercializing these sustainable technologies.

But many schools define sustainability too narrowly, solely in terms of "green" strategies that conserve natural resources. This definition is certainly important, but we believe it does not go far enough. Instead, our approach fosters understanding of the sustainable enterprise across three dimensions: the natural environment, good governance and ethics, and the value exchange between firms and their counterparts in governments and civil society. We believe this broader definition is more consistent with the challenges firms face today.

Within that multidimensional framework, our students are trained not only how to use resources wisely, but also how to employ nonmarket strategies and engage effectively with regulators. They learn how to partner with and work alongside NGOs to gain reputation, build operational expertise, and adopt innovative problem-solving strategies. Most important, they come to realize how critical it is to align their business practices with cultural and societal values throughout the world. We recognize that it is the value creation of sustainable enterprises that gives rise to economic and social development here



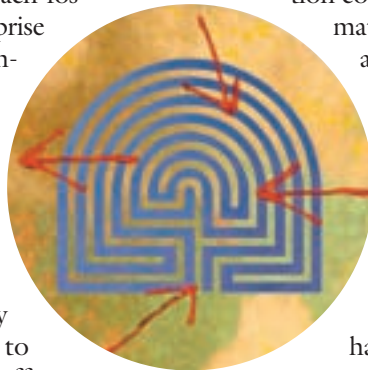
Graduate students from the Darla Moore School of Business participate in a sustainability-oriented community project during TeamIMBA week.

in South Carolina and beyond.

We've also launched the Dr. Alfred N. and Lynn Manos Page Prize for Sustainability Issues in Business Curricula. The prize identifies and rewards those in the management education community who have created innovative teaching materials and designed curricula related to sustainability in business. We have partnered with the Aspen Institute's CasePlace.org to post Page Prize submissions online, so that educators can get a firsthand look at best practices in this area.

In many ways, business education is behind business practice when it comes to sustainable enterprise and development. Business leaders often tell us that they don't yet have good guidance about the business case for sustainable practices. As one executive of a multinational firm recently put it, "We're just throwing spaghetti against the wall to see what sticks." His organization and so many others like it are facing a critical knowledge void.

Business schools are in a unique position to fill that void through their dedication to the objective and analytical generation and dissemination of knowledge. We aggregate experiences from multiple organizations through our research, executive education programs, and specialized advisory boards. By synthesizing and presenting those experiences in meaningful ways, we can significantly shorten the learning curve not only for our students, but also for the businesses we serve.



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“Our mentors make clear to students that academic knowledge is not the only factor that affects their leadership paths.”

Creating Labs for Learning

K. Ravi Kumar

Dean

Korean Advanced Institute of Science
and Technology Business School

Seoul, South Korea



KAIST originally started as a graduate institute of science, engineering, and technology. Every science and engineering faculty member had a lab where they worked with students on various experiments and projects. We have brought that lab-oriented academic environment into our business program, giving each of our approximately 700 MS, MBA, and PhD students his or her

own 50-square-foot lab space.

In their lab spaces, students are surrounded by research-active faculty and their fellow students, which provides ample opportunities for interactive and collaborative learning. They also can participate in weekly lab seminars or work on industry-commissioned research projects with their advisors and other students. Because our lab functions as a close-knit community, students in a lab develop very strong collegiality with each other and learn from each other's diverse industry experiences and academic research activities.

We extend lab and classroom work into the real world by collaborating with companies to provide research and consulting experiences. For example, our students currently are working with Nokia to research customers' experiences with and relationships to the functional design of cell phones and PDAs.

To deepen our students' learning experiences, we recently have made mentoring an



KAIST students work in their personal lab spaces.

even more integral part of our educational strategy. We tap our alumni base to provide students with CXO-level mentors, who share their life experiences. They make clear to students that academic knowledge is not the only factor that affects their leadership paths.


KAIST's foundation in the scientific method works particularly well for today's business students, who must have the same spirit of experimentation, innovation, and problem-solving as their counterparts in the sciences. When business schools provide a learning laboratory, they give students the freedom to work and collaborate to solve problems. Such an environment helps students develop a stronger understanding of how globalization impacts business.



A Moment for Reflection—and Action

Many educators view today as an ideal time to reflect on the purpose of business schools. The economic crisis, says Gautschi of the Lally School, “has given business educators an exceptional opportunity to witness the mounting influence that business has on society.” The realization of just how much business schools can affect the world has galvanized institutions like these to make changes—whether it's reaching out to other disciplines, embracing integrated approaches, or redoubling their focus on strengths that are increasingly relevant to today's organizations.

For educators like Todd of Desautels, it comes down to providing students with a big-picture understanding of business. The narrow, silo-based view of management that business schools embraced for so long develops strong analysts, he emphasizes, but it “does not lay the foundation for great leaders.”

Teegen of the Moore School puts it even more succinctly: “The story of business is changing,” she says. And as that story evolves, she says, so too should the business school mission. 

Relevant Education for Upward Momentum



In an era of economic uncertainty and fewer job opportunities, the Erivan K. Haub School of Business offers students who are interested in or already employed in a specific industry, the option of a more directed business education. In partnership with regional companies in vibrant, high-growth industries, the Haub School established centers of expertise – the Academy of Risk Management and Insurance and the Academy of Food Marketing to name but a few – to inform and support industry-focused business curricula. As a result, degree programs such as the Executive MBA in Pharmaceutical Marketing and Executive MBA in Food Marketing, and the M.S. in Business Intelligence, Financial Services, and Human Resource Management, are giving students greater career traction and upward mobility.



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