

Growth and Consequences

As AACSB International continues its global expansion, the organization keeps its focus on accreditation while increasing its emphasis on thought leadership

by Arthur Kraft

Like any thriving multinational organization, AACSB International has undergone considerable change in recent years. Although we have reached a period of relative stability, we are continuing to grow, and growth always brings fresh challenges.

As the 2006–2007 chair of the board of directors, I see five key areas of focus in the upcoming year: continuing our concentration on accreditation, expanding our global reach, developing our thought leadership, putting added emphasis on learning outcomes, and meeting the needs of our members. As chair, I hope to give special attention to the first three areas.

Our Primary Focus

Not only is accreditation our core product, it represents the fundamental contribution we make to the excellence and advancement of management education. AACSB continues to pursue the lofty goal of recruiting the best business schools in the world—the top 10 percent—through targeted development efforts.

In the past five years, we've seen a 16 percent increase in accreditation for schools in the U.S., and a spectacular *300 percent* increase in accreditation of schools outside the U.S. As of May 2006, AACSB has accredited 527 institutions in 30 countries, including 442 in the United States and 85 from outside the U.S. In addition, 169 schools—five from outside the U.S.—have received accounting accreditation.

This growth in the number of accredited schools places an added responsibility on AACSB members. We are fast approaching the time when we will require more than 100 teams to conduct maintenance of accreditation visits, which occur every five years. Since we need a minimum of two members on each peer review team, I foresee a point when the required number of volunteers could exceed 50 percent of the deans at accredited schools.

It's no secret that the time commitment is substantial, especially when other factors are considered: initial visits, accounting accreditation reviews, pre-accreditation mentor assignments, and sixth-year reviews. Keep in mind that many deans also take on other duties, such as participating on task forces and volunteering for committee assignments. We are grateful to the deans who have volunteered so much of their time already.

I know that some members may hesitate to volunteer because they're not certain they know how to serve on a peer review team. It *is* a learning process, but help is available. Online peer review training is of-



ferred through the AACSB Web site, www.aacsb.edu. In addition, peer review training programs are conducted at numerous accreditation events. It is my hope that, in the coming year, more members will decide to investigate these training options and volunteer to serve.

Schools that successfully make it through the accreditation process will reap many rewards. Many members have told us that the actual process of preparing the school for accreditation can be extremely beneficial, as it compels faculty and administrators to examine the curriculum and improve the program. Schools that achieve accreditation can claim they are among “the best business schools in the world,” as our new accreditation logo and tagline point out.

Accredited schools are invited to promote their achievement to all stakeholders by using the new logo and tagline on their Web sites and in recruiting materials. They can also take advantage of recently created brochures that explain what accreditation is and why it’s valuable. Accredited schools also will benefit from our ongoing campaign to promote the Value of Accreditation. As part of this campaign, AACSB has placed promotional exhibits at a number of conferences. We participated in the 2005 annual meeting of the National Association for College Admission Counseling to encourage school counselors to emphasize the importance of accreditation when students are selecting a college or university. We’re also discussing alliances with groups such as the Society for Human Resources Management.

In addition, we’re working to enhance educational programs that support accreditation and the review process. For instance, we want to develop an accreditation Web portal so that each school can access its exclusive information. We also plan to increase the number of peer reviewers deployed on visits. In general, we’ve committed ourselves to continuous improvement in accreditation services and support as just one way to better serve our members.

AACSB Around the World

Like accreditation, globalization is a pervasive element in AACSB operations. One important area of globalization is our lineup of conferences and seminars, which have become steadily more international in terms of location, theme, speakers, and attendees. Our goal for the 2006–2007 year is to plan at least two major conferences and up to five seminars outside the U.S. In fact, our 2006 International Conference and Annual meeting was held in Paris in con-

junction with the European Foundation for Management Development and drew members from around the world.

The association’s emphasis on globalization also is reflected in the changing makeup of the board, which, since 1999, has always included at least one international member. In 2004, the bylaws were revised to require that the board increase its global representation by one member every year from 2005–2006 through 2009–2010.

By that year, seven out of 30 members will be from outside the U.S. The number is likely to be even higher if chairs choose to fill their allotted two appointments with international members. For the 2006–2007 year, we are almost at that ratio already, because six of our 27 seats—or 22 percent of the board—will be from outside the U.S.

AACSB is pursuing internationalization in other ways as well. We have joined forces with EFMD to launch the Global Foundation for Management Education. Among other initiatives, the foundation has produced the new *Global Guide to Management Education*, a profile of management education in 42 countries. AACSB’s flagship publication, *BizEd*, continues to offer international coverage. Recent articles have featured business leaders from the U.K. and Korea, and international sources and contributors are part of every issue. We also demonstrate our commitment to globalization by initiatives such as:

- **Directing a global network of volunteers.** A growing number of international members participate in peer review teams, act as speakers and facilitators at seminars and conferences, and serve on committees and task forces. This year, the four major accreditation committees will have two chairs and two vice-chairs from outside of the United States.

- **Assembling an international staff.** Members of the AACSB staff have international experience that spans nearly all regions of the world, from Europe to Asia to the Americas. In addition, their language skills include Italian, Dutch, Spanish, Portuguese, Japanese, Chinese, and French.

- **Conducting a survey of international schools.** This year, AACSB launched the Globalized Business School Questionnaire to add more global and regional content to our database about management education. The survey generated responses from more than 80 schools outside the United States.

Like business schools themselves, AACSB has integrated globalization into its basic operations. In the coming months, we will continue our efforts to serve the entire international community of management education.



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Thought Leadership

As focused as we are on globalization and accreditation, AACSB is equally committed to thought leadership. One of our most influential groups is the Committee on Issues in Management Education (CIME), which is charged with identifying the most important issues facing our industry.

Formed in 2002, CIME is composed of board members and led by the vice-chair chair-elect to the board of directors. Many of the issues that CIME addresses have first been raised by members at regional meetings and other venues. CIME prioritizes concerns and develops appropriate strategies. Often CIME establishes task forces that act as “think tanks” on certain topics.

Three key task forces emerged in the past year: the Alliance for Management Education (AME), the Impact of Research, and Peace Through Commerce. The AME task force, which brought together corpo-

rations and business schools to work on common goals, focused on strategies to prepare the next generation of business leaders while identifying the challenges businesses face today. The Peace task force examined the link between business and peace and what business schools can do to strengthen that link. The Research task force, which is ongoing, is considering ways to enhance the visibility of academic research and identify relevant targets for research.

Once a task force issues its report to the board, a champion is often appointed to work with a small group to further review the topic and implement the recommendations of the report. Sometimes a resource center is created on the AACSB Web site.

The task forces also usually prepare analytical reports on the crucial issues they have studied. These reports have included “Management Education at Risk” in 2002, “Sustaining Scholarship



Meet Arthur Kraft

The year 2006 is proving to be a time of many new responsibilities for Arthur Kraft. Not only did he become chair of the board of directors at AACSB International in July, but in January he assumed the deanship of the George L. Argyros School of Business

and Economics at Chapman University in Orange, California, where he is also the Robert J. and Carolyn A. Walto Jr. Chair in Business and Economics.

The role of dean is a familiar one to Kraft. In the past 20 years he has served as dean at West Virginia University's College of Business and Economics, Rutgers' School of Business, Georgia Tech's College of Management, and DePaul University's College of Commerce and Kellstadt Graduate School of Business. Sprinkled among those appointments were stints as professor of finance, professor of management, and director of doctoral programs.

Kraft also has held visiting professorships at the University of Colorado, George Mason University, and ICN—the Graduate School of Business in Nancy, France.

To each position, he's brought his skills at organization and his belief in the importance of deep commitment to an organization. “You must become involved,” he says. “Don't hold back because you're uncertain about what it takes to serve.”

Kraft launched his business school career after receiving his MA and Ph.D. in economics from the State University of New York at Buffalo. He also is a magna cum laude graduate of St. Bonaventure University with a bachelor of science in mathematics.

Not surprisingly, given his zeal for service, Kraft has been a long-standing supporter of AACSB International. He has served as chair of the Committee on Issues in Management Education, as a member of the Executive Committee and the Nominating Committee, and as a board member of the Global Foundation for Management Education. He recently completed a three-year term as the first Chair of the Pre-Accreditation Committee. He has also served in many other capacities: on peer review teams, on the Blue Ribbon Committee on Accreditation Quality, and on the Business Accreditation Committee. In addition, he is involved with EQUIS accreditation through the European Foundation for Management Development.

“I served on my first peer review team visit in November 1977,” he says. “That was when I truly understood the importance of accreditation. I would wish for other members to have the same experience—so they not only understand how powerful accreditation can be, but so that they also realize how valuable their own participation is in the overall process.”

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Snapshot of the Argyros School

Chapman University was established in 1861 by the Christian Church (Disciples of Christ) and has been located on its current campus in Orange, California, since 1954. While it retains its ties with its founding denomination, today Chapman is a secular university with an ecumenical spirit. The university enrolls more than 5,700 students in eight colleges: the Argyros School of Business and Economics; the Dodge School of Film and Media Arts; the Wilkinson School of Arts and Letters; the Schools of Law, Communications Arts, Music, and Education; and University College.

The business school was founded in 1975 with a straightforward mission: to develop business leaders who blend “sound economic reasoning and a global perspective with the qualities of individual initiative, accountability, effective communication, and integrity.” The school was named for alumnus George Argyros, who served on the university’s board of trustees for 26 years.

Today, the Argyros School employs 33 full-time faculty and claims an enrollment of 721 students, with 163 in the graduate school. Undergraduates pursue degrees in accounting, business administration, and economics. Graduate students can select a part-time MBA, a full-time MBA, or an executive MBA. The graduate program is supported by the Career Management Center.

The Argyros School currently offers its students international study opportunities with internships in the U.K.,

Australia, and New Zealand. The EMBA program offers international residency in Beijing, Hong Kong, Saigon, and cities in Mexico.

Students interested in a practical demonstration of the financial market can embark on “A Walk Down Wall Street,” a domestic study tour that brings them to New York City for one week. There, they visit the New York Stock Exchange, the New York Mercantile Exchange, and the Federal Reserve Bank of New York. They also have a chance to conduct interviews with representatives of investment banks, money managers, and mutual fund companies.

More locally, the school continues to develop its partnership with the business community by working closely with the Board of Counselors, an elite group involved in developing and executing the vision of the school. Active participation and support from the community is encouraged through the Corporate Partners Program.

Four research centers reflect the school’s main focuses: the A. Gary Anderson Center for Economic Research, the Ralph W. Leatherby Center for Entrepreneurship and Business Ethics, the Walter Schmid Center for International Business, and the Roger C. Hobbs Institute for Real Estate, Law and Environmental Studies. In addition, the Hoag Center for Real Estate and Finance is under development; and a proposed Center for Corporate Governance may soon be in the works. A selection of endowed chairs—most going to professors in economics, finance, and international business—reinforces the notion that this is a school seriously devoted to the economic impact of business education.

in Business Schools” in 2003, “Learning Outcomes Assessment” and “Ethics Education in Business Schools” in 2004, and “Value of Management Education” and “The Business School Rankings Dilemma” in 2005. This year we have added “A World of Good: Business, Business Schools, and Peace” from the Peace Through Commerce task force. AME’s report will be published later this summer. CIME will continue to address critical issues in the management education field as they arise.

The Mission of the Future

Whenever anyone asks me what my vision is for the future of AACSB, all I have to do is refer them to our mission statement: “AACSB International advances quality management education worldwide through accreditation and thought leadership.”

One of Peter Drucker’s themes was “management by objectives,” which he described as “targeting what you want to do and putting people and systems in place to achieve it.” That is AACSB’s philosophy exactly. Our mission is our objective.

We’re in a great position for achieving our mission. We have a dynamic board, an involved and committed membership, and a great staff. We believe we know what the membership wants and what we need to do to meet the needs of the membership. We have the people and the systems to achieve those goals.

I am honored to serve as the chair of the board. With your continued support and involvement—your willingness to help us stay focused on doing the right things and doing them right—I believe this will be another great year for AACSB. 