

One Size Does Not Fit All

As AACSB focuses on its priorities for the future, the association's new board chair considers the challenges and changes that face management education.

by Judy D. Olian

At first blush, the school I call home has a lot in common with the school where I recently was dean. The UCLA Anderson School of Management and Penn State's Smeal College of Business Administration are both research-focused, and they operate within large and complex public universities. They are both chasing after top business research faculty and are increasingly reliant on private sources of funding.

Yet, they are also different on many dimensions. UCLA Anderson focuses exclusively on graduate programs, while Smeal has one of the largest undergraduate enrollments in the world. Their student bodies, alumni, and boards of overseers represent different regional and industry mixes, and their graduates head for different parts of the country to work. While the two schools share many similar attributes, their strategic goals and programmatic niches create distinctions that are unmistakable.

As the scope of management education expands across the globe, we see increasing diversity and fragmentation in the mission, size, geographic reach, programmatic mix, pedagogy, and resource base of business schools. It's become very hard to talk about management education in general without recognizing the many forms it takes and the many roads schools follow to deliver a high-quality educational product.

Consider these facts. Institutions accredited by AACSB International are now located in 31 countries. They have full-time faculties ranging from nine to 250 and operating budgets that are as low as \$1 million and as high as \$150 million. Some serve only undergraduates, others offer only graduate programs. Many schools have created narrow niches, while others offer a lengthy menu of program choices. Some have multiple campuses all over the world, others choose to globalize through alliances, and still others bring the world to them. Some offer only on-site degrees, while others are partially or even entirely delivered online.

Acknowledging Diversity

With AACSB's growth in the U.S. and internationally, we've become a much more heterogeneous organization. It's time we acknowledged the diversity of AACSB members and leveraged these differences as advantages within the business school community. Diversity means that students, faculty, and the companies that hire our graduates have options that enable them to address their goals and special needs. It means that even the smallest schools can compete if they deliver their programs with excellence. It means that educators have the latitude to be inventive and bold in designing learning models, programs, and unique content without having to fit into a single mold.



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Since 1991, AACSB has linked accreditation standards to schools' distinct missions. AACSB's thought leadership and advocacy initiatives are designed to address major questions that affect the membership at large, while acknowledging the varying needs of the different types of schools that comprise AACSB.

One of AACSB's most effective strategies for recognizing differences among members is the Affinity Group program, which enables school administrators with similar interests to band together to share ideas and best practices. The 14 current Affinity Groups address a range of interests, such as the Small Schools Network, Women Administrators in Management Education, the European Affinity Group, the Technology Leaders Affinity Group, and the Metropolitan Business Schools group.

Our challenge is to determine how best to harness the power of the differences among AACSB members, while retaining a common voice that speaks to the value of quality management education worldwide. That challenge will be our preoccupation over the next year.

The Year Ahead

At AACSB, a number of important initiatives are under way to address head-on how management education providers will differentiate their programs in the future:

We're examining how accreditation, our core product, has evolved during a period in which AACSB has grown dramatically in the number and type of institutions that are members. We've formed the Strategic Directions Committee, headed by David Saunders of Queen's University, to determine how AACSB accreditation processes will adapt to the plurality of school missions around the world. The committee will identify the idiosyncratic challenges schools face when they seek accreditation, and whether AACSB should expand its accreditation labels to address this diversity in missions and outcome measures.

The Impact of Research Task Force, chaired by Joe Alutto of The Ohio State University, just issued its report whose significant recommendations may redefine the way we think about research. Based on a comprehensive analysis of the research output of business schools, the report recommends changes to the way research is defined and measured across different types of schools. While the common goal for member schools is quality research, the form it takes differs across schools with dissimilar missions. The report also suggests improvements in the channels for disseminating research and new ways to enhance collaboration between academic researchers and practicing managers. There's no doubt that,

if the recommendations take hold, there will be modifications in several key accreditation standards that more carefully and directly connect the mission of a business school to the type of quality research that advances its mission.

Another task force has been charged with studying the overall impact of business schools. Management education has positive effects on individuals' salaries and career mobility—we know that. However, what about the broader effects of management education? As the voice for management education worldwide, AACSB is concerned that the collective impact of business schools has been undervalued.

We see a need to document the impact of business education in its many forms. It might be reflected in the aggregate demand to hire business graduates, or the quality of leadership among business graduates across profit and not-for-profit sectors. It might be visible in the way market practices have changed as a function of business research, or in the correlation between management education and the economic development of nations. But as long as the return on the investment in management education is unclear or unappreciated, business schools will suffer in stature and receive reduced support—from universities, government funding agencies, individual donors, and even the business community.

The task force will draw on available information and gather primary research data to determine the impact of business schools over the last few decades in various parts of the world. These data will provide a starting point for discussion with thought leaders in government and in the business community regarding the societal value of schools of management.

As we plan for our schools' futures, the question of faculty shortages looms large. AACSB is continuing the Professional Qualifications (PQ) Bridge Program to prepare seasoned executives for faculty roles in business schools. Programs have been offered at the University of Southern California and the University of California, Irvine, and two more are planned for Georgia State University and Babson College. Another new program—the Academic Qualifications (AQ) Bridge Program—will attract Ph.D.s from adjacent fields into a compressed post-doctoral “boot camp” that will transition them from their fields into business. These development programs will add to the supply and diversity of business faculty. These strategies won't suit every school, but for some they will offer an important solution to their faculty needs.

The Global Outlook

The diversity of management education is also reflected in the fact that most of AACSB's growth is now coming from schools outside the U.S. We just hosted an AACSB confer-

Meet Judy Olian

Judy D. Olian is acutely aware of the synergies between business schools and the practicing world of business, and she is constantly testing new ways in which management education can prepare global business leaders for the 21st century. Soon after assuming the role of dean of UCLA Anderson School of Management in January 2006, she worked with many groups in and around the school to shape the school's strategic plan.

She is engaged in an aggressive growth campaign, hiring a record number of faculty and leading an ambitious fund-raising initiative. She is also expanding the school's global footprint and growing its Board of Visitors, attracting executives who bring diverse functional and global perspectives. During her tenure, UCLA Anderson celebrated the launch of the Center for Finance and Investments, the newest of the school's six research centers.

Olian brought a similar energy to Pennsylvania State University's Smeal College of Business Administration, where she served as dean for more than five years. There she guided the school through an ambitious fund-raising campaign, as well as a comprehensive redesign of the undergraduate and graduate business programs. She also oversaw the implementation of several new initiatives: the Smeal Trading Room, the eBusiness Research Center, the



Auctions Market Lab, a student-run investment fund, and an EMBA program located in Philadelphia outside of Smeal's University Park campus.

As a member of the board of AACSB International, Olian has been actively engaged in the thought leadership role of the association. She chaired two important industry commissions—one on the future of management education, and the other on the looming crisis surrounding the shortage of doctorally trained business faculty.

The Australian-born Olian received her bachelor of science degree in psychology from Hebrew University in Jerusalem, and her master's and Ph.D. in industrial relations from the University of Wisconsin in Madison. In addition to publishing extensively on human resource management and business alignment of management systems, Olian has written a weekly syndicated newspaper column and hosted a monthly television show on current

business topics. Among her honors are the American Council on Education Fellowship and the Maryland Association for Higher Education Award for Innovation.

"I feel very privileged to be in a career that transforms lives and has an impact on individuals and organizations—a career that 'does good' in the world," says Olian. "The collective responsibility of schools of management is to enhance the quality of leadership all over the world. It's a stimulating field with constantly changing issues and opportunities that demand our attention, one where we can really make a difference."

ence at Tsinghua University in Beijing, the first university on the Chinese mainland to earn business school accreditation by AACSB. I'm sure many will follow.

Globalization is broadening the agenda of the association. It's clear that AACSB members are engaged in global research, curricula, immersions, student communities, and exchanges among faculty and students. Two initiatives that address globalization will be important for AACSB in the months ahead.

The first initiative, to be launched later this year, will study the meaning of global education in practice. To find out what really works, the new Global Task Force will explore best practices in research and teaching. How can we best train graduates for a role in increasingly integrated economies and prepare them for careers that will span multiple countries and cultures? How can we prompt them to think as global citizens? How can we create faculty research collaborations that span the globe and deal with inherently global topics? Answers to these questions will help us design and implement effective programs for global business education, research, and collaboration.

AACSB also will continue to work with the European

Foundation for Management Development (EFMD) on the Global Foundation for Management Education (GFME). GFME is creating an inventory of management education challenges and capabilities in various regions of the world. The group has reported on major economic and demographic trends that affect demand for management education worldwide, as well as the role for associations such as AACSB and EFMD in addressing these needs.

The Balancing Act

Acknowledging diversity among business schools while retaining the power of a single voice for management education is not without its challenges. Powerful forces—governments, media rankings, and inertia—create intense pressures for schools to converge around similar missions and metrics.

For instance, some governments are imposing common outcome measures on their universities, regardless of the particular mission of the institution. On the surface, this kind of accountability seems reasonable. Yet, institutions serve different purposes and constituencies, and their measures of success should vary accordingly. At AACSB, we

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expect missions—and, therefore, outcome measures—to differ considerably across schools.

Similarly, media rankings that purport to hold programs accountable, and reduce quality to a single number, challenge the courage of deans to be different. In contrast, AACSB continues to emphasize to its accreditation teams that standards are not absolute requirements and that numerical guidelines are not mandatory thresholds.

But there is a balancing act between diversity that satisfies a range of student and business needs, and diversity that confuses and undermines perceptions of quality in the marketplace. Diversity does not mean “anything goes.” It is incumbent upon AACSB to differentiate between schools that advance quality management education in its many diverse forms and those that do not deliver on their promises. AACSB has embarked on a global effort to promote the value of AACSB accreditation. In addition, the Strategic Directions Committee has been charged to find ways to

more clearly differentiate schools that have achieved accreditation from those that have not.

This is an important period for AACSB. Our task forces are addressing vital issues—some that will shape AACSB as a global, pluralistic organization, and others that will address the role of business schools in economies and societies. The findings of these task forces, while they might have no impact on a dean’s day-to-day activities, will certainly affect the way schools hire faculty, value research, play roles in their communities, and approach globalization. These task forces will prompt each school to discuss its essential mission—a mission that represents a school’s distinct brand of quality management education for its particular markets and its special circumstances. One size does not fit all. [Z](#)

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All About UCLA Anderson

UCLA Anderson School of Management was founded in 1935 and received national accreditation three years later. It authorized its MBA program in 1939, its Ph.D. program in 1953, and its executive education program in 1954. Originally known as UCLA’s College of Business Administration, the school was renamed in 1987 after receiving John E. Anderson’s \$15 million gift—at the time the largest donation from an individual to a business school.

Each year, UCLA Anderson provides management education to more than 1,600 students enrolled in MBA, Executive MBA, Fully-Employed MBA, and doctoral programs, and to more than 2,000 professional managers through executive education programs. It also offers a two-year dual-degree Executive MBA program in partnership with the National University of Singapore Business School. Designed to train executives for the global marketplace, this 15-month program includes six two-week residential segments in Los Angeles, Shanghai, Bangalore, and Singapore.

Open enrollment nondegree programs, including a suite of programs that target minority leaders, provide continuing education to a wide range of individuals. Specialized nondegree programs focus on the fields of health care and entrepreneurship. The school also hosts the Human Resources Round Table to foster interaction between academics and senior HR professionals.

UCLA Anderson is located in the most ethnically diverse region of the country. Its Riordan Programs reach out to underrepresented minorities and individuals from disadvantaged backgrounds to prepare them for careers as business and community leaders. The school also participates in the Leadership Education and Development Program (LEAD), a national partnership of corporations and graduate schools that encourages minority students to enroll in business school.

As UCLA Anderson approaches its 75th anniversary, the school has developed a new strategic plan to strengthen its thought leadership, MBA distinctions, and global presence. This far-reaching plan includes hiring nearly 30 new faculty members, re-evaluating the MBA and Ph.D. programs, raising funds to support research and endow chairs, expanding business course content in fields such as business sustainability and entertainment, enhancing e-delivery options, and upgrading physical facilities. The \$100 million dollar strategic plan will be funded through a combination of the school’s entrepreneurial revenue streams as well as a \$75 million fund-raising campaign.

The school is also expanding its global footprint, forming deep partnerships in Asia and Latin America, expanding international immersion experiences for students, and adding global dimensions to its research centers. The goal is for students to emerge from UCLA Anderson’s programs with “global brains,” consistent with the school’s mission to “lead management thinking and prepare global leaders.”