

Critical Mass

Critics of the MBA
abound, even within
our own ranks.
An analysis suggests,
however, that while
there is a kernel of
truth in some criticisms,
often the claims are
incomplete, unfounded,
and off-base.

by Paul Danos



It has become fashionable for journalists and business faculty to proclaim the devaluation of the MBA and predict the demise of modern business education. Two or three years ago, business schools seemed vulnerable. Applications were down at many schools, salary growth for graduates had moderated, and many industry observers linked those trends to fundamental problems with business education.

Now that applications are up for two out of three business schools and the demand for MBAs is through the roof, we might be tempted to use these positive trends to shrug off any criticisms. Instead, I believe we must study and evaluate the charges, which largely focus on faculty.

Critics have claimed that faculty are studying irrelevant issues, using outdated materials, failing to integrate topics across the curriculum, focusing too much on theory, wasting time on esoteric research, and failing to obtain enough practical experience before they teach a class. In short, the criticisms boil down to four main groups, each in turn suggesting that faculty are:

- Not managerial enough.
- Not student-centered enough.
- Not scientific enough.
- Distracted from important scholarly work because of a focus on rankings.

None of us would argue that there is not room for improvement in management education; but, in my view, these well-publicized claims are often incomplete or invalid. In fact, each of them can be refuted.

Managerial Focus

The first group of critics—represented by Henry Mintzberg, Warren Bennis, and James O’Toole—claim that today’s faculty are not teaching actual management skills, that they are over-emphasizing analytics, and that as a result the MBA degree has lost its value.

For instance, in his 2004 book *Managers Not MBAs*, Mintzberg criticizes full-time MBA programs for relying too much on theory, while offering students too few experiential learning opportunities. He points out that business schools enroll students who are not experienced enough to absorb management concepts; don’t provide authentic management experiences; and don’t offer the appropriate experiential laboratory in which to learn business leadership.

This line of argument overlooks the fact that at many full-time programs the average age for full-time students is not 23 or 24, but 28. Even more important, it ignores the fact that students generally graduate onto a ladder toward leadership, not into top leadership itself. This criticism also fails to take into account the fact that many MBA students are enrolled in part-time programs, where the average age is higher, and students are often already well up the ladder toward leadership. These students *do* have the experience to absorb man-



In my view, some of the critics are making rhetorical points and pandering to the headlines.

agement concepts, and they don't need an "experiential laboratory" in which to learn.

Two other critics in this group, Bennis and O'Toole, wrote a 2005 *Harvard Business Review* article, "How Business Schools Lost their Way." It postulates that management researchers increasingly are focused on theoretical scientific research that has no practical relevance.

It's true that, ever since the Carnegie and Ford Foundations issued their reports in 1959, business schools have been moving from practical, nontheoretical research to a conventional academic mode of research. It's also true that the vast majority of top business scholars publish in peer-reviewed disciplinary journals. But it is not true that this work is irrelevant to practice.

I see the work in several top journals, and virtually all topics are important and practical. For the most part, researchers look at real data from real businesses, often concerning whole classes of companies. Since most nonresearchers do not have access to such a wide spectrum of data, the resulting analyses are very valuable and relevant indeed. Without a doubt, laymen would have difficulty understanding some of the methods used in modern business school research, but that doesn't mean that the researchers can't translate their findings into accessible terms for students.

Scientific Focus

Almost in direct opposition to the first group of critics, a second group contends that business school faculty are not scientific enough and that this leads to a devaluation of the MBA degree. The primary voices in this contingent are Sumantra Ghoshal, Jeffrey Pfeffer, Christina Fong, and Matthew Stewart.

In a paper published in the *Academy of Management Learning and Education* in 2005, Ghoshal argued that the "pretense of knowledge" and "ideologically inspired theories" have had negative consequences for students by, in essence, freeing them from moral obligations. His perspective seems to be primarily a lament about the influence of economic theories on management research.

It is important to point out that this and some of the other criticisms of management theories often come from strategy and organizational behavior professors. They seem to view the potential "takeover" of their disciplines by economists or economics-trained professors with concern because they do not believe that research methods of economics fit the managerial questions to which they are now being applied.

The team of Pfeffer and Fong has taken a somewhat different tack. These authors say that an MBA does little to

advance a graduate's career and that business research is unlikely to improve management practice. The problem is that they engage in a casual meta-analysis of the research that others have done, and they themselves point to how spotty those studies really are.

They do admit a "modest and limited linkage" between research and business practice; but they conclude that there is "scant evidence" that an MBA is related to success in business, unless perhaps it is earned from an elite school. However, this exception allows them to completely ignore the fabulous ROIs achieved by graduates of the leading schools. At the Tuck School of Business at Dartmouth, for instance, the average U.S. student nearly triples his or her salary, and the average non-U.S. student experiences more than a fivefold increase.

Pfeffer and Fong present solutions they say will fix the deficiencies at business schools, such as admitting more experienced students, designing multidisciplinary programs, offering students more real-life management situations, and devoting more time to clinical projects. The fact is, those solutions are already in place at the leading schools.

Stewart is the final member in the group of critics who claim that management theory does not have a truly scientific basis. In "The Management Myth," an article published in *Atlantic Monthly* last summer, he attacks the alleged pseudo-science of management theories.

Stewart's major complaint seems to be with management theories that started in the early 1900s with Frederick Taylor's *The Principles of Scientific Management*. Since then, he says, the theories have evolved in unscientific ways, resulting in one catchy best seller after another. He sees the procession of nostrums—quality, customer satisfaction, supplier satisfaction, flat organizations, re-engineered processes, core competencies—as the recycling of old ideas and an attempt to pass rhetoric off as management research. Stewart also worries that values and ethics are seen as issues that can be given a quick fix, that communication skills are largely ignored, and that teamwork is not stressed.

The major problem with this criticism is not that he incorrectly assesses the books in question. It is that those "managerial" books are just a small sliver of the business writings available, and they don't reflect the peer-refereed articles that take up a huge percentage of faculty interest and effort.

I argue that the best faculty research in business schools is sound, that it informs teaching in very healthy ways, and that top faculty members are rigorous about the generalities they profess to their students. Of course, the popular press publishes some unfounded works that are fashioned to

No matter what the critics say, graduate business education will continue to flourish, because what we provide for our students is so beneficial.

maximize sales, but condemning all management research for that reason would be analogous to saying that all of science is bogus because works of astrology are published.

Arcane and mushy jargon is not the *lingua franca* among faculty. Instead, faculty commonly exchange straightforward communications about best practices and explore theories that help explain business activities of interest. Most faculty do the bulk of their publishing in the top academic journals devoted to economics, finance, operations, marketing, accounting, strategy, and other disciplines. Those journals publish serious, evidence-based work. Most of what is taught in good MBA programs is shaped by that careful research.

Student Focus

The third group of critics, led by Harry Lewis, claims that faculty are not student-centered enough. In his book *Excellence Without a Soul: How a Great University Forgot Education*, Lewis makes the strong point that universities often do not articulate ideals for future American leaders. He argues that schools need, and often lack, three essential components of a good education: an agreement on common values, a core curriculum, and an engaged and caring faculty.

I agree with his concerns. All schools should strive to achieve the noble goals he outlines. But I don't believe it is fair to study one or two schools and project those findings onto all schools or all colleges within those schools. On the contrary, I believe that leading business schools are addressing all of those concerns—and in very creative and effective ways. I know that, at Tuck, we deeply value and protect our school's core values, and we care for every student and all of our alumni.

Rankings

The final group of critics includes Harry DeAngelo, Linda DeAngelo, and Jerold Zimmerman. In a recent working paper, these authors point to business school rankings as a

distraction that diverts faculty from pursuing quality and instead compels them to focus their efforts on managing public relations. They believe that although rankings at first sparked a period of growing prestige for management education, they are now fostering bad decisions and wasting faculty time.

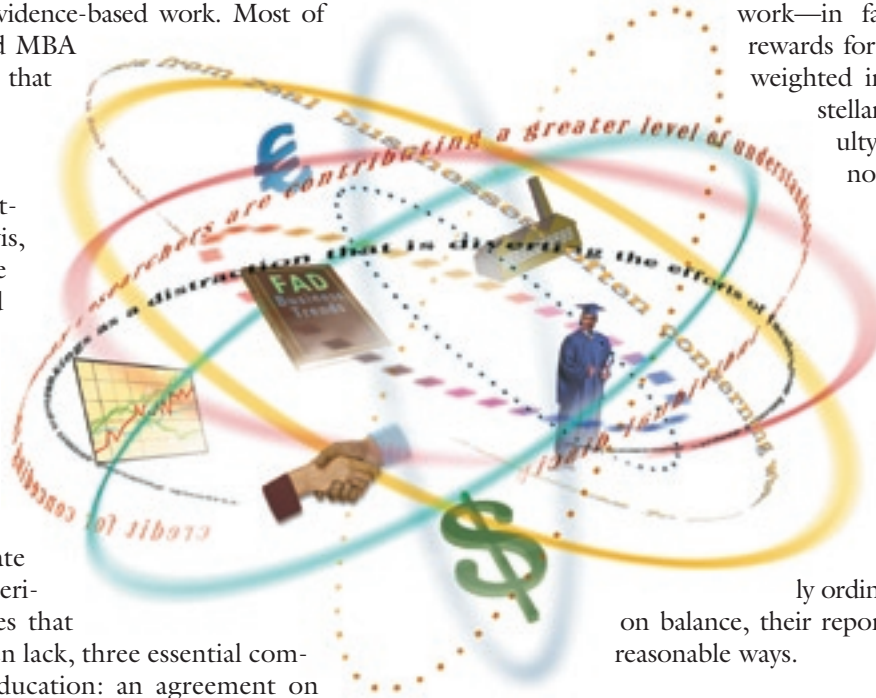
Like most deans, I have experienced moments of frustration over an individual ranking or two, but I disagree with a blanket condemnation of business school rankings. I see no evidence that researchers are being diverted from their work—in fact, considering that rewards for professors are heavily weighted in favor of those with stellar research records, faculty have every incentive not to be distracted.

I also believe that the rankings have an important positive side effect: They keep us on our toes when it comes to being reasonably student-focused. Although I believe the media are misguided in their quest to create granular and strictly ordinal ranks, I believe that, on balance, their reports describe schools in reasonable ways.

A Kernel of Truth

It's clear that I see problems with aspects of all four of these common arguments. In my view, some of the critics are making rhetorical points and pandering to the headlines. I do not believe that the severest criticisms reflect the realities of the top business schools, which serve as counter-examples to most of the negative stereotypes portrayed. In fact, when I read the disparagement of faculty research, I conclude that some critics are either ignorant of the work of the best researchers, or they have chosen to ignore it in order to win debating points.

That being said, we must acknowledge that there are elements of truth in some of these critiques. It is true that some of what we must teach is not covered by classic research; indeed, many management professors believe that managerial skills can only be imparted through experience and hands-on learning. Intuition and experience are essen-



The MBA That Delivers[®]

*Bringing Babson to the World.
Bringing the World to Babson.*



BABSON
LEADS THE FIELD
IN EDUCATING GLOBAL LEADERS.

Babson's strong global orientation, focused uniquely on entrepreneurship and innovation, presents students with:

- ▶ Study abroad experiences at 42 institutions in 23 countries
- ▶ Access to a highly diverse international faculty
- ▶ Opportunities to connect with global business leaders on campus
- ▶ International internship and consulting opportunities
- ▶ Unparalleled network of strategic partners and alumni throughout the world

The MBA That Delivers[®] www.babson.edu/mba

Babson's MBA program is ranked as the third-largest full-time international population by Financial Times.

TWO-YEAR MBA · ONE-YEAR MBA
EVENING MBA · FAST TRACK MBA

tial parts of human interaction and can be critical in certain professional situations. That may be why so many business best sellers are full of personal opinions and why on-the-job anecdotes sometimes equate to management theory. In any case, the critics are right that experiential learning has its place in the business school classroom.

I also give some of these critics credit for conceding that many researchers are contributing a greater level of understanding to their individual disciplines. The core of their arguments, however, seems to be that they don't think these topics add up to management. But "management" is difficult to define rigorously. Frankly, it sometimes seems to me that our critics define "management" as whatever we don't cover in our programs.

Flourishing in the Future


After reviewing these criticisms, I have come to two conclusions. First, I believe that, over time, "good" research on a topic tends to drive out mere opinion or bad research. There are not many casual books on asset pricing because there is a solid body of serious and practical work on the topic. It will take time for science to make similar progress in all areas of management, but in the meantime our students still need guidance in those areas. Therefore, the call for experiential and nontraditional learning is not unfounded—it is just incomplete.

Second, I believe that business schools will converge on the

classic research model to guide their faculty development—when they can. Worldwide, the more well-heeled schools will focus on researcher-led faculty, and the desire to have the prestige of renowned professors will not dissipate soon.

At the same time, most new schools cannot afford renowned professors, and many schools will follow some model other than the research-oriented faculty. Most of the new business schools I have seen outside the U.S. and western Europe are being taught primarily by adjuncts—practitioners who do not engage in research.

I believe this means that, in the future, our industry will take a mixed approach to teaching. There will continue to be a strong tendency toward research-based learning for schools that can afford it; but other models will prosper, and many students will learn management in other ways.

As business schools around the world experiment with innovations in teaching and vie for their place in the market, perhaps all management education critics will get a chance to see some of their ideas in action. But no matter what the critics say, graduate business education will continue to flourish, because what we provide for our students is so beneficial to them and because what they do in their careers is so important to human progress. 

Paul Danos is dean of the Tuck School of Business at Dartmouth in Hanover, New Hampshire. This article is drawn from a speech he recently presented to the Association of MBAs at a dinner in London.