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## AACSB Explores Global Trends in Doctoral Education

Seven years ago, the AACSB International Doctoral Faculty Commission published *Sustaining Scholarship in Business Schools*, a report which launched a series of initiatives designed to create awareness of the global shortage of doctoral faculty and encourage actions that could prevent the shortage from becoming worse. As the management education industry continues to evolve, AACSB is continuing to explore the challenges associated with sustaining scholarship in business schools.

In the US, where the majority of data on the supply and demand of doctoral faculty is available, the 2003 analysis by the Doctoral Faculty Commission noted a 19% decline in the number of business research doctorates awarded between 1994–95 (1,327) and 1999–2000 (1,071). Since then, data findings have continued to display the complexities that surround analyses of doctoral faculty supply and demand. In terms of absolute numbers, the total amount of business research doctorates produced annually has trended upwards, increasing to 1,519 in 2007 from 1,064 in 2001. Restricting attention only to AACSB-accredited institutions, the Survey of Earned Doctorates data indicated that US schools graduated 470 more business doctorates in 2007 than in 2001, an increase of 57%. About two-thirds of the AACSB-accredited institutions produced at least as many doctorates in 2007 as in 2001.



On the other hand, few, if any schools reported that the increased production has been accompanied by relief to the challenge of hiring qualified faculty members. Instead, many schools reported that efforts to attract and retain quality faculty members are becoming increasingly difficult in a highly competitive and resource-constrained hiring environment. Several hypotheses for the seemingly contradictory messages from the data and schools have been presented, and will be the focus of future AACSB research.

First, this evidence is not sufficient to conclude that production has risen or will rise to fully accommodate demand. In particular, sufficient gains have not been revealed in accounting, which has been regarded as the most problematic area. Although, more accounting doctorates were produced in 2007 than in 2001, the increases have not translated into a loosening of the market. In 2008, AACSB's *Business School Faculty Trends* report illustrated a steady increase in the average number of open doctoral degree positions in accounting, and suggested a need for as many as 1,000 new accounting doctorates to be produced over the next five years for replacement purposes alone. Furthermore, AACSB studies have shown that smaller schools have been most acutely impacted by the shortages.

Second, there is a lack of confidence that these increases are sustainable. Funding for doctoral education is at great risk in schools due to monetary challenges, resulting in concerns that recent production increases will be short-lived. Third, there is great uncertainty on the demand side, which may be impacted by many things including enrollment growth, the number of schools seeking to improve quality (e.g., international accreditation), pending faculty retirements (whether expected or delayed), and funding for new faculty positions and replacements. Each of these factors carries some uncertainty, but the financial aspects have been particularly unpredictable.

### Global Perspectives

At the same time, a new and ongoing global study of faculty models points to a different set of opportunities and concerns particularly prevalent in developing and transitioning economies. This study involved interviews with representatives of 35 business schools in 28 countries across all world regions (excluding the US, Canada, and Africa) and focused on obtaining information about faculty models and the experience with locating and hiring qualified faculty. The study intentionally included non-AACSB-accredited schools that have a more regional than international orientation.

The study confirmed that the demand for faculty capable of scholarship is increasing globally, and that the number of doctoral programs in many regions of the world also has been increasing. In several countries, business PhD programs are relatively new—having been introduced only within the past ten to fifteen years. In other countries, the first doctoral programs are only just now beginning to emerge.

There also is great diversity in doctoral programs offered around the world. The programs range in length from three to eight years due to the structure of the curriculum and/or the



pace at which students complete requirements. Some programs follow the British model, without required coursework, but most programs require the completion of a number of courses prior to the dissertation stage. However, the number of required courses varies substantially (from less than one semester to three years). There also may be qualifying exams, other selection processes, and/or a research/dissertation stage—all of which vary in length. Some programs are available only to individuals who have completed a master's degree, while others are available after the completion of a bachelor's degree. Indeed, the study introduced more questions than answers about the orientation, objectives, quality, and innovativeness of doctoral programs. Similar questions have emerged in other AACSB settings, such as within accreditation.

While evidence suggests that markets are growing, cross-border recruitment appears to be driven by more than local gaps in supply and demand. Some schools in the study indicated that they often recruit faculty with doctoral education abroad (either nationals or expats; sometimes with financial support from the home institution) due to a lack of local business PhD graduates with the necessary capabilities. But in many cases, interviewees noted that international faculty recruitment also was viewed as a strategic method of establishing an international connection with a school in another country or positioning the school as being “international.”

In countries where schools rely heavily on the recruitment of PhDs that have been educated abroad, recruitment challenges are often related to the unique aspects associated with particular regions, such as salary structures (particularly when regulated), languages, citizenship-linked regulations, and the various geographic/social/political environments. Difficulty determining the validity and quality of doctoral degrees internationally appears to be an emerging issue. Each of these factors has the potential to create imbalances in the ability of otherwise similarly-positioned schools in various countries to recruit faculty members educated abroad.

Most importantly, the largest concern for business schools in many parts of the world is not simply the availability of faculty members who hold doctoral degrees. It is rather a set of much broader questions concerning the acquisition and deployment of qualified faculty, and the establishment and development of a scholarly orientation within a business school. Where doctoral education and research are relatively new, schools are experiencing a natural lag in which older faculty members are less likely to have received a doctoral degree than younger faculty members. These faculty members also are less likely to have been hired with expectations for ongoing research activity. The depth of faculty members with business doctorates can be an obstacle to offering doctoral programs, or at the least, mean that the development of new programs and of a research culture will be an incremental process taking place over many years. In numerous countries, evidence of this process appears in the form of a trend toward more formalized, structured faculty expectations with increasing emphasis on scholarly activities by newer and younger faculty members. Yet, these expectations often must be accompanied by cultural shifts, development of channels for research output, and incentive structures that reward ongoing scholarly activities.

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## Next Steps

In April 2010, the AACSB Committee on Issues in Management Education (CIME) identified a series of general objectives to guide continued efforts to develop qualified business faculty worldwide. In addition to maintaining and improving existing programs (e.g., the Post-Doctoral Bridge-to-Business Program) which have been mostly centered in the US, the plan aims to substantially increase what AACSB does to develop academic faculty for schools based outside the US, especially in lesser-developed regions. Efforts will be grounded in additional research and oriented toward the following broad objectives:

- Enhancing understanding of local contexts for doctoral programs, faculty models, and the development and dissemination of scholarly research
- Working to strengthen existing PhD programs and provide support for new programs globally
- Assisting with the continued development of new and existing faculty members, particularly with skills that support active engagement in scholarly activities

Each of these objectives should enhance awareness of how AACSB might play a role in supporting and encouraging further faculty development in ways that are specific to a variety of needs.

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