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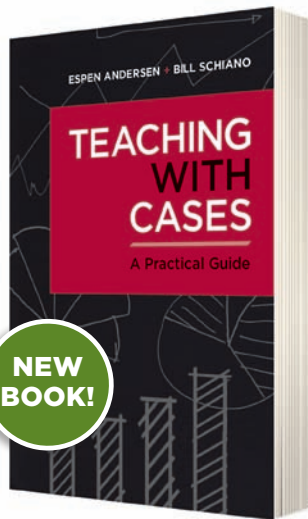
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BizEd (USPS 1884) is published six times a year by AACSB International—The Association to Advance Collegiate Schools of Business
777 South Harbour Island Boulevard, Suite 750, Tampa, FL 33602
Tel: +1-813-769-6500 Fax: +1-813-769-6559
www.aacsb.edu www.bizedmagazine.com
ISSN number: 1537-338X

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Subscription rates: The Continental U.S. yearly rate is US\$35. The Canadian yearly rate is US\$45. Outside the Continental U.S. and Canada, the yearly rate is US\$55. Subscribe online at www.bizedmagazine.com. POSTMASTER: Send address changes/corrections to *BizEd*, 777 South Harbour Island Blvd., Suite 750, Tampa, FL 33602.



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BizEd welcomes article submissions of between 1,500 and 3,000 words from recognized authorities in their fields on topics and trends important to management education. Because *BizEd* is not an academic publication, we prefer articles written in a descriptive, provocative, and journalistic style, rather than a scholarly tone. Submissions are reviewed by *BizEd*'s Advisory Council; publication decisions will be made within six weeks of submission.

Accepted articles will be edited to conform to *BizEd*'s format.

For Your Turn op-eds, we accept submissions of approximately 600 words (one page) or 1,300 words (two pages) that explore a personal viewpoint on an issue in management education. A photo of the author is also required.

To be considered for Idea Exchange, schools should submit information and images that highlight a specific aspect of their programs.

Digital images must be high resolution (300 dpi or higher, in JPEG or TIFF format), and saved at 3" x 4" or larger.

Email submissions to BizEd.editors@aacsb.edu or mail them to *BizEd*, AACSB International, 777 South Harbour Island Boulevard, Suite 750, Tampa, FL 33602. Materials for Headlines, Short Takes, Bookshelf, or Your Turn can be emailed to Sharon.Shinn@aacsb.edu. Materials for Technology, Research, Idea Exchange, or Calendar can be emailed to Tricia.Bisoux@aacsb.edu.

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Education, Reimagined




RAQUITA HENDERSON

As I waited at the checkout at a kitchenware store, the woman behind me spotted an “impulse buy” item near the register. It consisted of four green silicone-covered rods about four inches long, grouped in a bundle, all attached at one end to a two-inch black circular disc. She picked it up and pulled the rods open until suddenly, the item folded out into an “X” shape. Puzzled, she held it for a second before placing it flat on the counter. “Oh!” she exclaimed. “It’s a collapsible trivet!”

I figured it out about the same time she did, so I laughed along with her; I also thought how impressive it was that someone had reimagined something as simple as a kitchen trivet. The store itself had hundreds of other such “reimaginings” on display: molded silicone cups to make perfectly shaped poached eggs, collapsible whisks and colanders, measuring cups with push-up plungers inside to scrape the sides clean so no ingredients go to waste. Today, every item, no matter how small or simple, is a candidate for reconsideration.

These are innovations with relatively small impact, though. What does innovation look like writ large? I recently read about Lift Labs, part of Google’s life sciences division, which has developed a spoon with a computer that can detect and counteract tremors, allowing people with Parkinson’s disease to feed themselves. A team at Imperial College has created a “flying 3D printer drone,” which, in theory, could fly to remote construction sites and print out tools and equipment. It’s impossible not to be amazed by what humans have imagined—and what they might think up next.

But it’s one thing to reimagine an object like a trivet or a spoon. It’s quite another to reimagine a long-held tradition like higher education. Educators are asking, “How can we teach differently? How can we better serve our communities? What does ‘innovation’ mean, for us, today?” These are questions explored in this issue. In “Setting Off Sparks,” four authors explain how they define innovation in business education. “How B-Schools Inspire Innovation” offers tips for encouraging innovation, while “Big Ideas on Campus” shares ways schools are experimenting with new ideas. “Passion Projects” presents memorable class projects that three academic entrepreneurs have brought to fruition.

One theme that emerges is that many innovations don’t need years to implement. Vasyi Taras of the University of North Carolina at Greensboro, featured in “Passion Projects,” needed just one hour to start a global collaboration that now involves 100 faculty at 90 schools. In that respect, reimagining higher education might be as easy as—or easier than—reimagining a kitchen trivet. See a problem, take a leap...and go. 



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calendar

May 18–20, 2015
 The Curriculum
 Conference:
 Re(Invent+Think+
 Design)
 St. Louis,
 Missouri



AACSB International Schedule of Events

■ CONFERENCES

Nov. 9–11, 2014

*Associate Deans
 Conference*
 San Antonio, Texas

Feb. 8–10, 2015

Deans Conference
 San Diego, California

March 2–4, 2015

*B-School
 Communications &
 Development Symposium*
 Atlanta, Georgia

March 9–11, 2015

*Assessment Conference:
 Driving Accountability
 and Innovation*
 Austin, Texas

April 26–28, 2015

*International Conference
 & Annual Meeting
 (ICAM 2015)*
 Tampa, Florida

May 24–26, 2015

*Annual Accreditation
 Conference: Asia Pacific*
 Shanghai, China

May 2015

*Annual Accreditation
 Conference: Europe,
 Middle East & Africa*
 Sisli Istanbul, Turkey

■ SEMINARS

Accounting Accreditation

Feb. 5, 2015

Nashville, Tennessee

Advisory Council

March 12–13, 2015

Tampa, Florida

Applied Assessment

Jan. 28–29, 2015

Tampa, Florida

March 8–9, 2015

Austin, Texas

May 2015

Budapest, Hungary

June 11–12, 2015

Tampa, Florida

*Applied Assurance
 of Learning*

Dec. 5, 2014

Xiamen, China

Assessment

Jan. 26–27, 2015

Tampa, Florida

March 8–9, 2015

Austin, Texas

May 2015

Budapest, Hungary

June 3–4, 2015

Tampa, Florida

Assurance of Learning

Dec. 3–4, 2014

Xiamen, China

Feb. 26–27, 2015

Delhi, India

March 26–27, 2015

Penang, Malaysia

March 26–27, 2015

Shanghai, China

Business Accreditation

Dec. 1–2, 2014

Xiamen, China

Jan. 23–24, 2015

Tampa, Florida

February 2015

Paris, France

Feb. 24–25, 2015

Delhi, India

March 23–24, 2015

Penang, Malaysia

April 24–25, 2015

Tampa, Florida

May 23–24, 2015

Shanghai, China

May 28–29, 2015

Tampa, Florida

*Continuous
 Improvement Review*

Feb. 7, 2015

San Diego, California

May 24, 2015

Shanghai, China

June 10, 2015

Tampa, Florida

Department Chairs

March 23–24, 2015

Tampa, Florida

*Enhancing & Measuring
 Impact Forum*

February 2015

Paris, France

March 25–26, 2015

Penang, Malaysia

June 1–2, 2015

Tampa, Florida

*Leading in the Academic
 Enterprise: Developing
 Leaders & Impactful*

Communication

Feb. 19–20, 2015

Tampa, Florida

*Lessons for
 Aspiring Deans*

June 13–14, 2015

Tampa, Florida

CURRICULUM DEVELOPMENT SERIES

*Teaching Design for
 Creativity & Innovation*

May 2015

Chile

*Globalizing the
 Business Curriculum*

Feb. 16–17, 2015

Tampa, Florida

Critical Thinking

Feb. 17–18, 2015

Tampa, Florida

Experiential Learning

Feb. 19, 2015

Tampa, Florida

May 2015

Chile

*Supply Chain
 Management*

March 12–13, 2015

Fayetteville, Arkansas

Leadership

June 8–9, 2015

Chapel Hill, North
 Carolina



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June 15-16, 2015
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New Deans

June 28-30, 2015
Tampa, Florida

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Feb. 23-24, 2015
Tampa, Florida
May 7-8, 2015
Tampa, Florida

Teaching Effectiveness

March 9-10, 2015
Tampa, Florida

For more information, visit www.aacsb.edu/ events or download the AACSB Event App at the Apple or Android app stores.

OTHER EVENTS

Nov. 13-14, 2014
6th Global Peter Drucker Forum
Vienna, Austria
www.druckerforum.org

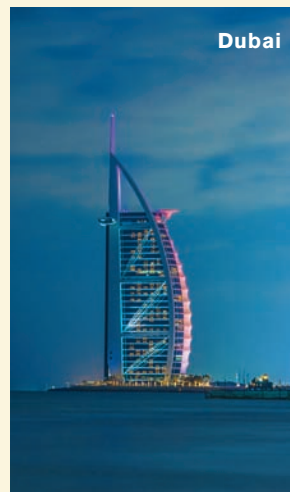
Dec. 3-5, 2014
Australian & New Zealand Academy of Management Conference
Sydney, Australia
www.anzam.org

Jan. 10-13, 2015
Business & Economics Society International Conference
Las Vegas, Nevada
www.besiweb.com

Jan. 18-20, 2015
3rd AIM-AMA Sheth Foundation Doctoral Consortium

Dubai, U.A.E.
www.imt.edu/aimamashethdc15

Jan. 20-23, 2015
GMAC Leadership Conference
Long Beach, California
www.gmac.com



Dubai

Jan. 29-30, 2015
EFMD Conference for Deans & Directors General
Barcelona, Spain
www.efmd.org

March 25-27, 2015
BALAS Annual Conference
San Juan, Puerto Rico
www.balas.org

June 7-9, 2015
EFMD Annual Conference
Brussels, Belgium
www.efmd.org

June 24-26, 2015
GMAC Annual Conference
Denver, Colorado
www.gmac.com

headlines



Partnering on Sustainability

SUSTAINABILITY IS the way forward for businesses and nations, and collaboration is the key to sustainability. That was the underlying theme at the Renewing Business Education in Asia Conference held this summer by 50+20, a group that brings together academics, practitioners, and policymakers to explore how management education can create a better world.

“Sustainability demands far more than the effort of an individual, an organization, or even one country, and the transformation of management education is a marathon journey,” observed Edwin Cheng, dean of the Faculty of Business at the Hong Kong Polytechnic University, which organized the conference. “We fervently hope that the synergy between us brings real benefits to the joint pursuit of sustainability as time goes on.”

Katrin Muff, dean of the Business School Lausanne in Switzerland, also stressed synergy and collaboration as she spoke at the event. She said, “We need to stop competing for who is the best in the world, and start collaborating in order to do the best for the world.” She believes that business schools have three fundamental roles:

to develop globally responsible leaders, to enable business organizations to serve the common good, and to engage in the transformation of business and the economy. To achieve these goals, she said, business schools must create collaborative spaces “where action learning and action research can realistically join forces.”

They also must encourage students and educators to work with all facets of society to address current issues, and they must set new and relevant benchmarks.

Other speakers focused on the changes they see ahead if business is to become more sustainable. Andrew Savitz, president of Sustainable Business Strategies and author of *The Triple Bottom Line*, said, “Companies will need to find ways to create less harm and do more good.”

This requires a new way of thinking about economic growth and how it can be achieved in a world facing difficult environmental and social challenges. Savitz admitted that changing over to this new paradigm is “enormously complicated” and requires that “research be conducted, case studies written, curriculum developed, and partnerships established. Business schools are essential to helping us make the changes that will be necessary.”

For more information about the conference or the 50+20 organization, visit www.fb.polyu.edu.hk/50_20asiaconference/.



Katrin Muff



Andrew Savitz

Bench Making

What do park benches have to do with global sustainability? The group 50+20 is committed to collaboration, and it sees benches as collaborative spaces where people can sit, talk, and share ideas. In addition, the word “benchmarking” refers to setting standards for the best. Thus, the organization sees benches as a metaphor for collaboration at the highest levels—and if those benches are made of recycled material, the metaphor also encompasses sustainability.

In collaboration with the Globally Responsible Leadership Initiative (GRLI) and local designers, students from PolyU’s Faculty of Business and School of Design created a set of eight benches from recycled and repurposed materials. The benches were used at the Renewing Business Education in Asia conference, then set up for permanent display on the PolyU campus to encourage stakeholders to co-create solutions for challenging problems. See the video at www.youtube.com/watch?v=_pNfXGQAFgQ.

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To read an expanded online version of our news section, which offers bonus news content and a more comprehensive Short Takes section,

visit www.bizedmagazine.com/headlines/november-december-2014.pdf

B-Schools Look Ahead

HOW DOES MANAGEMENT education need to adapt to a changing market, and what will it look like in the coming years? Two institutions are offering papers that try to answer those questions.

■ The Grenoble Ecole de Management has produced “Thoughts on the School of the Future,” a white paper containing insights from professors, journalists, and corporate leaders. The publication explores its topic from six perspectives—teaching, studying, working, living, researching, and recruiting at the school of the future—and predicts how each will evolve. The authors expect educational programs to become more personalized, teaching more creative and dynamic, research more practical, and IT departments more essential to a school’s success. Download at www.grenoble-em.com/resources/upload/fckEditor/File/WhitePaper2014.pdf.

■ The Australian Business Deans Council (ABDC) focuses squarely on education in its own country in its newly released “The Future of Management Education.” The paper calls for more engagement between industry and business schools and notes that schools must produce graduates who are adept at dealing with uncertainty during a time of huge economic, technological, and organizational change. The report states: “It is not enough to create an economy that is ideas rich but execution poor.” Download the publication at www.abdc.edu.au/data/FoME/Future_of_Management_Education_Report_-_July_2014.pdf.



Marketing to Millennials

TRYING TO ATTRACT Millennials to your campus? Identify which subgroup you want to recruit and narrowcast your marketing message to that niche. That’s the takeaway from a recent study completed by marketing firm Lipman Hearne, which used an online research visualization tool to gather responses from 2,300 students across the U.S.

The study, “The Super Investigator Goes to College,” notes dramatic differences in the way students from different demographics find out about colleges and choose which ones to attend. For instance, African American males are less influenced by financial aid/scholarship awards than white females are. Students of color rely on college fairs and emails from admissions offices as key information sources, but those methods don’t even rank for white students.

To gather the responses, Lipman Hearne partnered with college search website Cappex.com to survey its users, who make up 25 percent of the U.S. college-bound population. A student comparison tool based on the study is available to those who register at www.lipmanhearne.com/super-investigators-prospective-students-and-the-college-decision/.

New Officer for AACSB



Timothy S. Mescon

AACSB INTERNATIONAL has appointed Timothy S. Mescon as the first senior vice president and chief officer for Europe, the Middle East and Africa (EMEA). Mescon, who currently serves as the president of Columbus State University, will assume his new role in January 2015.

Mescon will guide the association’s efforts within EMEA and will direct a new AACSB headquarters based out of the Netherlands. He also will facilitate the development of a stronger mentorship program focused on providing a solid foundation for schools within emerging and transitional economies.

“Collectively, Europe, the Middle East, and Africa host more than 3,700 institutions that offer business degrees,” says John J. Fernandes, AACSB’s president and CEO. “It is time for AACSB to step forward and provide a greater level of guidance and support.”

Accolades for Accountants

MORE THAN A dozen awards were handed out to faculty and practitioners at the American Accounting Association's annual meeting this summer. Among the prizes was the Innovation in Accounting Education Award, sponsored by the Ernst & Young Foundation. This year's award went to a group of 11 practitioners

and academics who created "This Is Accounting," a simple visual model that re-envisioning how accounting can be taught.

"Currently, accounting education is perceived to be black-white, debits-credits, answer-in-the-back-of-the-book, and boring," says one of the group winners, Ellen J. Glazerman of the Ernst & Young Foundation. "In our vision

of teaching accounting, you start with economic activity, which is when someone does something, and you record and describe it through accounting activity. Each description requires accounting judgments and critical thinking, and there are consequences to every decision."

Other honors announced at the event were the Outstanding Accounting Educator Award, which went to Wayne R. Landsman of the University of North Carolina in Chapel Hill and John C. Fellingham of The Ohio State University; and the Outstanding Service Award, which went to Gail Hoover King of Purdue University Calumet and Martha M. Eining of the University of Utah. See a full list of winners at aaahq.org/awards/PressRelease/2014.htm.



NSF Partners With More B-Schools

THE NATIONAL SCIENCE Foundation (NSF) has announced that it will provide a multimillion dollar grant to create a hub of innovation that unites public and private institutions throughout Southern California. The hub will be headquartered at and administered by the University of Southern California in Los Angeles, the California Institute of Technology (Caltech) in Pasadena, and the University of California Los Angeles.

The new center is part of the NSF Innovation Corps, or I-Corps, initiative, which helps entrepreneurs learn how to commercialize technologies generated by NSF-funded research. The NSF works with partners in the private sector to secure funding and additional resources to help entrepreneurs' startups succeed. Other I-Corps "nodes" already exist in the San Francisco Bay Area; New York City; Washington, D.C.; Georgia; and Michigan. NSF also is adding a node in Texas. (For more information about I-Corps, see "Bringing Ideas to Market" on page 31 of the November/December 2013 issue of *BizEd*.)

ILLUSTRATION: LUCIANO LOZANO/GETTY IMAGES

Top Prize for *BizEd*

BIZED WAS named Magazine of the Year by the Florida Magazine Association as part of its 2014 Charlie Awards competition, which honors writing, design, website, advertising, and overall excellence among Florida-based publications.

BizEd also took home five other prizes in the competition. Three were Charlie Awards, which are the equivalent to gold. One was for best overall magazine in the association category, and one was for best

theme or show issue. *BizEd* received its third Charlie for best service feature, "For Profit, For Good," which was written by Jane Hughes and appeared in the November/December 2013 issue.

The magazine received two additional awards for writing excellence: a silver for best service feature, "Attracting the Best Faculty," written by co-editor Sharon Shinn and published in the September/October 2013 issue; and a bronze for the editorial "Light It Up," written by co-editor Tricia Bisoux and published in the November/December 2013 issue.



TROPHY: ESKAYLIM/THINKSTOCK

SHORT TAKES

NEW APPOINTMENTS



■ Singapore Management University has appointed **Gerard George** as the new

dean for its Lee Kong Chian School of Business. George, who begins his term January 1, currently is deputy dean and director of the Rajiv Gandhi Centre at the Imperial College Business School in the U.K. He replaces **Howard Thomas**, who will remain with the school as a distinguished professor of strategic management and management education.



■ **Turney Stevens** (left), who has been dean of the Lipscomb University's

College of Business in Nashville, Tennessee, since 2008, has become dean emeritus of the school. In that role, he will focus on development initiatives and continue as executive director of Lipscomb's Hilton and Sallie Dean Institute for Corporate Governance and



Integrity. **Ray Eldridge** (left), a senior associate dean and professor of management in

the college, has been named interim dean.

■ **Ramin Cooper Maysami** has been named dean of

Jackson State University's College of Business in Mississippi. Maysami most recently was dean and professor of economics and finance at the School of Business Administration at the University of North Carolina at Pembroke.

■ **Sasin Graduate Institute** of Business Administration of Chulalongkorn University in Bangkok, Thailand, has appointed **Dipak C. Jain** as the second director in the school's history. A visiting professor at Sasin since 1989, Jain has previously served as dean at INSEAD and at Northwestern University's Kellogg School of Management. He succeeds **Toemsakdi Krishnamra**, who founded Sasin and has led the school of management for the past 32 years.

■ **Beryl McEwen** is the new dean for the School of Business and Economics (SOBE) at North Carolina A&T State in Greensboro. She was most recently the school's vice provost for strategic planning and institutional effectiveness.

■ **Mark Higgins** has been named the next dean of the John Cook School of Business at Saint Louis University in Missouri. Higgins has been a member of the University of Rhode Island's faculty since 1988 and was appointed dean of the URI's

business college in 2006. His tenure at the Cook School begins January 1.

GIFTS AND DONATIONS

■ **Worcester Polytechnic Institute** in Massachusetts has received US\$40 million from longtime benefactor Robert A. Foisie, the largest gift in its history. Like much of the money Foisie has donated over the years—more than \$63 million total—the bulk of the funds will go toward student scholarships. In recognition of his gifts, the university has renamed the WPI School of Business the Robert A. Foisie School of Business; a new innovation center also will be named for the donor.

■ **Texas Christian University** in Fort Worth has received a US\$30 million gift from salesman Spencer Hays and his wife, Marlene. The money will serve as a foundation gift in a \$100 million facility expansion for the Neeley School of Business. Spencer Hays is an alum and a trustee emeritus of the school.

■ The College of Business at the **University of South Florida St. Petersburg** has received a US\$10 million gift from entrepreneur Kate Tiedemann, the founder and former CEO of Katena Products, an eye instrument company. In recognition of her gift, the largest

in the school's history, the school is being named the Kate Tiedemann College of Business.

■ **Sonoma State University** in Rohnert Park, California, has received a US\$3 million gift from Marvin R. Shanken, editor and publisher of *Wine Spectator* magazine, through the Wine Spectator Scholarship Foundation. The gift will support the construction of the new home for SSU's Wine Business Institute, which will be named the Wine Spectator Learning Center.

■ **La Salle University** in Philadelphia, Pennsylvania, has received a US\$3 million gift from Edward Fierko, vice chair of the school's board of trustees, and his wife. The money will go toward construction of a new six-story \$35 million School of Business facility.

NEW PROGRAMS

■ The Kelley School of Business at **Indiana University** in Bloomington has teamed with the College of Arts and Sciences to offer several new accelerated master's degrees in the sciences, mathematics, information technology, and other disciplines. Students



SHORT TAKES

enrolled in the new 4+1 Integrated Master's programs will earn a bachelor's degree from the College of Arts and Sciences and a master of science degree from the Kelley School.

■ This fall, the College of Business at the **University of North Texas** in Denton is



offering a class on the challenges facing family-owned businesses. The class is part of a new Family Business Initiative developed by faculty members in the department of management. With the help of a community engagement grant from UNT, students in the class this fall will study Candy Haven, a Denton bakery, and offer solutions to a particular challenge faced by the business.

■ Alumni of the 18-month EMBA offered by the **University of Cambridge** Judge Business School in the U.K. now can return annually to the school to update their knowledge and skills. The school's new annual electives initiative will offer lifelong learning to its graduates, who can take elective courses alongside current EMBA students.

■ Ross Redesigns BBA

This fall, the **University of Michigan's** Ross School of Business in Ann Arbor will launch a redesigned BBA curriculum. Called MERGE (for multidisciplinary exploration and rigorous guided education), the new curriculum encourages students to consider the fundamental role of business in society. Students study a core group of cases through a series of integrated courses, which helps them solve problems from multiple functional perspectives. A new required course orients students to the concept that business can help solve the world's toughest challenges. The new program also gives students opportunities to apply classroom lessons to real-world experiences. BBA students will have the chance to gain international experience through junior abroad programs and cultural experience through immersion and residential programs in other parts of the U.S.

■ **San Diego State University** in California is launching a music entrepreneurship and business program open to students in all music disciplines. Developed as a partnership between SDSU's College of Professional Studies and Fine Arts and the College of Business Administration, the degree is a professional bachelor of music with a specialization in entrepreneurship.

■ **Central European University's** Business School in Budapest, Hungary, has announced a new Global Entrepreneurship Fellows Program. It will help entrepreneurs who already have launched a viable startup or built a product and attracted funding take their businesses to the global market.

■ **HEC Paris** is launching a dual degree called the MBA-MSc in International Finance that allows students to complete both a 16-month MBA and a 10-month master in finance in 20 months. Students with experience in finance start accounting and finance classes at an advanced level to leverage their experience.



■ Partners in Programming

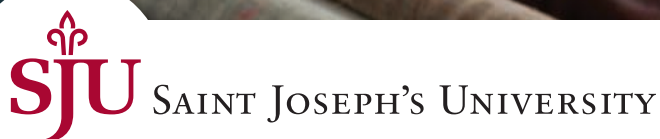
The Lubin School of Business at **Pace University** in New York City is collaborating with marketing agency Media Storm on a co-branded program called the Media Storm MS in social media and mobile marketing. Lubin provides the curriculum for using social media and mobile marketing strategically, while Media Storm brings real-world hands-on experience to the student experience: 100 hours of guest lectures, 50 internships, and project work for classes. The collaboration was announced at an October event that included a concert and TED Talk by singer Daria Musk, who built a worldwide fan base of more than 3 million people utilizing social media.





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The best way to predict your future is to create it.

That's the thinking behind Saint Joseph's family business and entrepreneurship (FBE) major where students learn the skills to launch their own business, contribute to an entrepreneurial venture or assume responsibilities in a family business.

Through this major, students learn to assess risks associated with business management, make responsible decisions and recognize opportunities within and outside their own businesses.

FBE students leave the program with the tools, theory and practical knowledge to launch new ventures, succeed in a family business environment and contribute to economic growth.

SHORT TAKES

COLLABORATIONS

■ The Haas School of Business at the **University of California, Berkeley**, is providing an executive-level program that presents a Silicon Valley perspective on business, innovation, and leadership topics to top Chinese leaders. The program, which launched in May, is a three-year pilot between Haas and the China Executive Leadership Academy Pudong (CELAP) in Shanghai.

■ **Audencia Nantes** in France has joined forces with Ecole Supérieure Nationale d'Architecture de Nantes (ensa Nantes) and the engineering school Ecole Centrale de Nantes in a collaborative effort called The Alliance. The goal is to turn out graduates—engineer-managers, architect-engineers, and architect-managers—who embrace innovation and who have the hybrid skills they will need in tomorrow's job market. The Alliance will focus on three areas: the city, big data, and marine industries.

■ **Singapore Management University** (SMU) and the Institute of Chartered Shipbrokers (ICS) have signed a memorandum of understanding to establish a partnership that allows them to co-develop courses and collaborate in teaching and research.



■ The National Football League Players Association (NFLPA) is partnering with the **Indiana University** Kelley School of Business in Bloomington to provide customized graduate-level educational programs to current and former NFL players. The Kelley model will guide players from initial career development through professional certifications and ultimately to an MBA degree. Among the tools available to players will be the Me Inc.



Recognizing Ability

Business schools that want to raise awareness about the contributions of workers with disabilities might want to check out **#RespectTheAbility**. The campaign was launched by RespectAbilityUSA and Positive Exposure, two nonprofits working to change how people see workers with disabilities. The campaign kicked off with a webinar with Lori Golden, Abilities Strategy Leader from Ernst & Young LLP, who discussed how EY has embraced employees with “diverse abilities.”

program, which helps participants articulate and achieve their goals.

OTHER NEWS

■ The **University of Tulsa's** Collins College of Business in Oklahoma has created a School of Energy Economics, Policy and Commerce in response to growth in the school's degree programs devoted to energy businesses. The school began operations July 1 under the leadership of professor Tim Coburn.

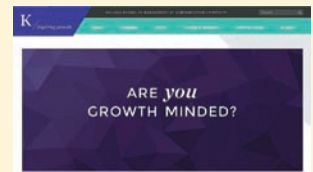
■ The **Association of Indian Universities** has published

Universities Handbook 2014, the 33rd edition of the publication that focuses on higher education in India. Included are a synopsis of the higher education system of the country,



descriptions of the categories of academic institutions, information about the coordinating bodies that have authority over the schools, and more. To purchase, visit www.aiuweb.org/publication/publication.asp.

■ The Kellogg School of Management at **Northwestern University** in Evanston, Illinois, has announced a new brand strategy as part of its ongoing plan for transformation. “Inspiring growth,” a tagline now used on all Kellogg publications and advertising, points to



the ways businesses can increase economic value and individuals can increase self-knowledge and insight, according to dean Sally Blount. **Z**

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- No. 57** Online Graduate Business
- No. 81** Professional MBA
- No. 101** Best Undergraduate Business Program

Bloomberg's BusinessWeek

- Top 100** Undergraduate Business Schools

PayScale

- No. 5** Best R.O.I. by Business Schools

Princeton Review

- Best 295** Business Schools

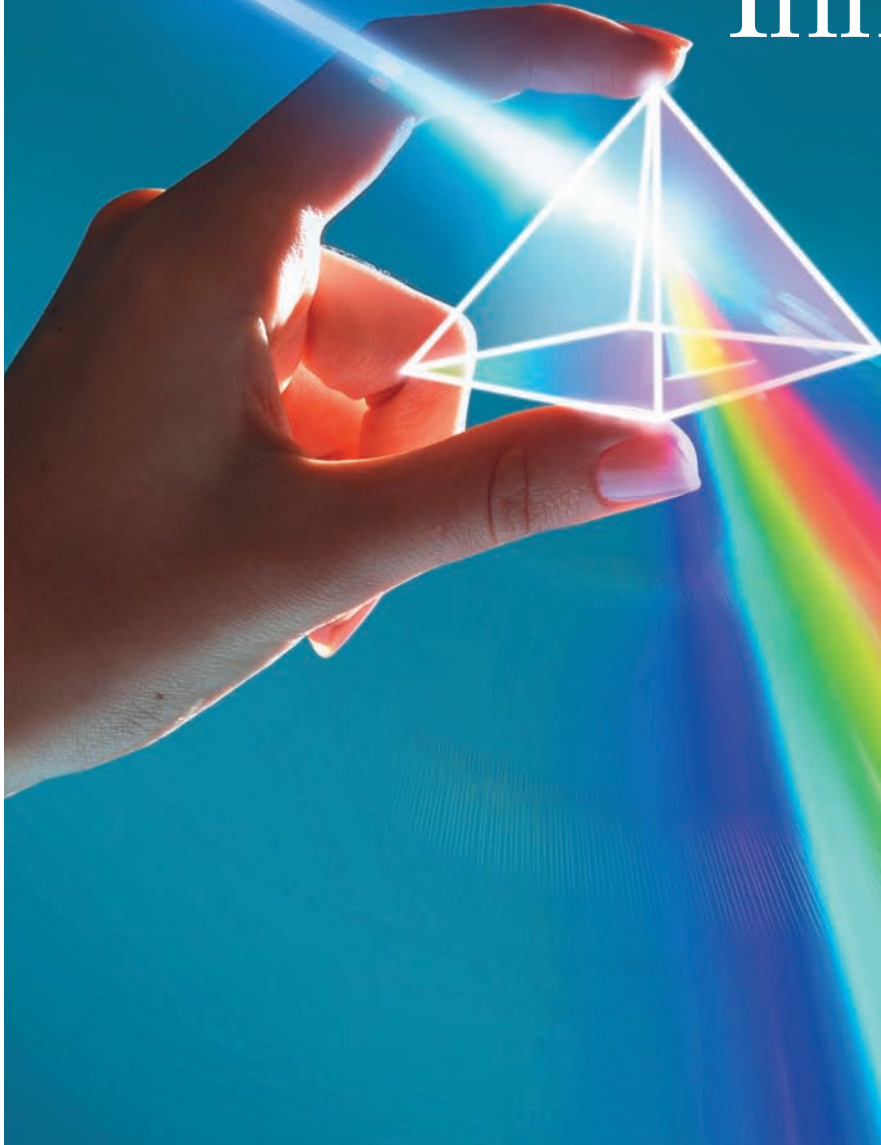
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How B-Schools

INSPIRE

Innovation



As innovation becomes a critical skill in the 21st-century workplace, teaching innovation becomes an essential job for today's business schools.

Here's how three institutions suggest integrating innovative thinking into the curriculum.

PAPER BOAT CREATIVE/GETTY IMAGES

Start with Reinvention

BY ROBERT S. SULLIVAN

Innovation is a topic of many conversations at business schools today, and for good reason. Business schools long have had reputations for producing only suit-and-tie Wall Street-ready graduates. But we are now in the midst of an “innovation revolution,” in which business schools are expected to produce graduates who can flourish in an innovation economy. While innovation can be defined as the ability to move ideas forward in ways that add value to the community, there is a second definition that is equally important to business schools—the ability of organizations to continuously reinvent themselves, so they can grow and thrive. In a sense, all organizations need to behave like startups!

It also is critically important that business schools (and universities) constantly reinvent themselves. Every year, they might look a little different than they did the year before, as they reassess whom they serve, what they do, and how they do it. They must continuously consider what innovation looks like for their stakeholders and adapt their programs to meet the needs of their communities.

That is what we do at the Rady School of Management at the University of California, San Diego. Founded in 2003 as a startup business school, the Rady School was launched at a time when no state support was available. The school was created to serve the innovation economy of Southern California, a hub of science and technology. Here, more than 600 life science firms and over 100 telecommunications and software startup com-

panies operate within five miles of our campus. This unusual environment has shaped our identity and inspired several strategies that I believe could help other business schools better define their own paths to innovation:

1 *Establish a clear identity.* As we built the Rady School, we knew we had to be as specific as possible about who we were and what community we would serve. If we based our identity on general business education, we risked blending

Innovation can be defined as the ability of organizations to continually reinvent themselves, so they can grow and thrive.

in with other schools. On the other hand, if we aligned our programs and mission with the community we served—in our case, one heavily steeped in life science and technology—we would establish our value from the start.

That strategy not only has given us a clear direction, but also has served us well in other ways. During the last financial crisis, several individuals donated enough money to help the Rady School make up for a budget shortfall and support our mission. While other schools

in the UC system were instituting furloughs, our faculty never had to take pay cuts. The members of our community know that our school exists because of them and for them. For that reason, they assume an extraordinary responsibility for our success.

2 *Work across disciplines.* Many Rady faculty collaborate with professors in disciplines such as engineering and health science. Some have co-authored papers that have appeared in journals such as *Science* and *Nature*, while others have secured grants from the National Institutes of Health and the U.S. Department of Energy. One group is working with the Scripps Institution of Oceanography to study issues related to the oceans, the atmosphere, and environmental sustainability.

3 *Reimagine faculty rewards.* For a business school to be innovative, it must align the way it rewards and recognizes faculty with that goal—something that does not always happen through traditional paths to teaching and publication. At the Rady School, for instance, we consider *Science* to be an A-level journal. If we continue to use old metrics, we will do only what we have done before. However, we know that our future must look quite different from our past.

4 *Reach across campus.* A great way for business schools to inspire innovation is to push beyond their boundaries—literally. At every university, disciplines such as engineering, health science, and the liberal arts are recognizing that business needs to be part of their curricula.

The business schools that thrive will be those that help define the future.

Should business schools sit back and observe while these departments develop their own programs in innovation and entrepreneurship? Or should business schools design basic courses for students in other disciplines and help other departments achieve their goals? The growing interest in business is an opportunity for business schools to take on roles at our universities that we have never taken on before. Entrepreneurship and innovation leadership have never been more relevant across campuses.

Incentivize risk. A school that is not taking risks is not moving forward, and a school that is not moving forward is in jeopardy of becoming a nonentity in today's market. Create incentives that encourage faculty to experiment and that discourage fear of failure. Such freedom might lead faculty to design new curricula, submit grant proposals, and support interdisciplinary initiatives.

Act like a startup. Innovative business schools sometimes have to make something out of nothing. They need to "bootstrap" just like a startup. Today, at the Rady School, we continue to follow a self-supporting financial model, even at a public university.

Business schools can act like startups in other ways as well. For instance, in 2003, Rady started Lab2Market, a series of courses in our MBA program in which entrepreneurs learn how to turn fledgling ideas into market opportunities. We had no state funding for the program, and we had only one faculty member on staff to teach the courses. We started small

with a weekend program. We flew in faculty from institutions where I had previously served. We asked entrepreneurs and venture capitalists to volunteer as mentors. The school engaged the community to support its launch.

As we grew Lab2Market, it became our "innovation maypole," around which our other programs revolved, from our Rady Venture Fund to our StartR Accelerator, just launched in 2013. During the 2013–2014 academic year alone, startups from this program raised nearly US\$2 billion through venture funding, partnerships, and the first Rady alum IPO. Seventy-five alumni-founded businesses are viable and operating today, hiring employees and raising capital. Forty percent of those businesses evolved from Lab2Market.

In 2009, entrepreneur Pierre Sleiman further developed Go Green Agriculture, a hydroponic organic farm, for his Lab2Market project. Sleiman now has five acres of greenhouses producing approximately

500,000 head of lettuce, kale, and other greens every month. In August, he was recognized at the White House as one of the Obama Administration's "Champions of Change" for his agricultural practices. That is the kind of innovation business schools can inspire.

Defining the Future

Business schools must practice innovation and be transformative in purpose as well as in behavior. Schools that are unable or unwilling to continuously reinvent themselves will be at risk, but the business schools that thrive will be those that help define the future.

Most business schools are steeped heavily in tradition—they are not accustomed to reinvention. However, in an innovation revolution, we must embrace it. That is the only way we can deliver the value that our communities need. So I share the mantra for our Rady School community—never stop starting up!

.....
Robert S. Sullivan is the dean and Stanley and Pauline Foster Endowed Chair at the Rady School of Management at the University of California, San Diego.

Think Fast

BY LOICK ROCHE
AND MARK THOMAS

When Steve Jobs decided to make the iPhone, he knew it would ultimately destroy the iPod, which was generating 70 percent of Apple's revenues at that time. So why did he go ahead with manufacturing plans? He believed the principles laid out in *The Innovator's Dilemma*, written by Harvard professor Clayton Christensen, who noted that companies sometimes have to cannibalize their own products to stay ahead of the competition. Christensen never predicted the iPhone's wild success, but his research helped lead to its creation.

Christensen's research is only one example of the many ways in which universities can influence innovation today. In the 2012 book *What Are Universities For?*, Stefan Collini declared that one of the prime objectives of higher education is to be a center for innovation and creative thinking. While some dispute that, we believe innovation is at the heart of the strategy for most business schools today. When schools offer programs that emphasize innovation, they can have a direct short-term impact on the business world—and a long-term effect on tomorrow's executives.

Regulating bodies that oversee education are coming to the same conclusion. AACSB International has made innovation one of the three pillars of its new accreditation standards, along with engagement and impact. Similarly, under the U.K.'s new Research Excellence Framework, funding bodies there will consider the impact of research when allocating funds to universities.

If business schools want to teach our students how to drive innovation in the workplace, we must teach them to work together, see across cultural boundaries, and think critically. To do that, we first must embrace innovation ourselves. We believe the following steps are good places to start:

1 Collaborate with business to stimulate innovation. The University of Cambridge has set up a strategic partnership under the Cambridge Cluster, which includes 1,500 technology-based firms working with different research centers at the various faculties. In the past 20 years, this university/business partnership has led to the creation of more than 300 high-tech ventures, and 14 can boast revenues of more than US\$1 billion.

Innovation is at the heart of the strategy for most business schools today.

In another approach, Grenoble Ecole de Management has integrated "serious games" into the curriculum. Students use gaming strategies to discover innovative ways to approach markets and develop products for participating French companies, including Michelin. Obviously, the companies are hoping to benefit by implementing new R&D ideas generated by the students, but the school has a longer term goal: to help students master critical problem-solving skills that they can take with them into the workforce.

2 Launch programs designed to get new ideas to market efficiently. Two examples are Stanford's

Innovation and Entrepreneurship certificate program and Wharton's Strategy and Business Innovation program. Another is MIT's \$100K Entrepreneurial Competition, in which student teams create new business models. Maura Herson, director of the MBA at MIT's Sloan School of Management, points out that the most important part of the competition for students is learning entrepreneurial skills, not winning prizes.

3 Use live case studies in the classroom so students can work on real-world problems. Such projects are increasingly popular with companies that appreciate the candid feedback given by young students who are not bound by the conventions and politics of the office envi-

ronment. They give their opinions about the problems companies present to them, rather than the answers they think the boss wants to hear. Such open debate is vital for innovation in the business world.

4 Teach students to look at industry from different perspectives. Harvard's Business Innovations in Global Health Care program presents new models in the increasingly challenging healthcare industry. INSEAD's Social Innovation Centre asks participants to look at business from sustainability and ethical perspectives. Fudan University's Innovation Science Fair encourages students from different research dis-

ciplines to cooperate as they develop their projects in applied research.

Another way to give students a new perspective is to bring in an outsider who challenges the students' ideas. At Grenoble EM, we've experimented by inviting in a philosopher to question students at the end of a lesson. This not only forces them to look at situations in an entirely different way, but it also allows them to defend their ideas to someone who is not part of the mainstream business world. This is a key skill that they will need later on.

Encourage cross-disciplinary—and cross-cultural—perspectives.

Students who pursue joint degrees sharpen their critical thinking skills, which is one reason for the popularity of degree programs that pair business with math, design, history, philosophy, law, and psychology. But students develop even broader perspectives when they engage in cross-border studies by taking some classes at other universities. When schools from different countries and continents develop joint degree programs, students get a chance to explore many different ways of thinking.

They also see how innovation can be a global phenomenon. As Amar Bhidé writes in *The Venture-some Economy*: "A Briton invented the protocols of the World Wide Web—in a lab in Switzerland. A Swede and a Dane in Tallinn, Estonia, started Skype, the leading provider of peer-to-peer Internet telephony." Students learn how innovation can be sparked and strengthened by global connections.

Stop worrying about MOOCs.

In fact, embrace them. MOOCs encourage innovation not only

because they offer educational opportunities to people who have little other university access, but also because of their potential to expose groups of students to new ideas from people they might otherwise never have met. In fact, Vivek Goel, chief academic strategist at Coursera, notes that some students in Asian countries have taken MOOC classes and then been accepted into mainstream universities.

Solving Problems

No matter what path they take, business schools must build innovation into their curricula because today's businesses require graduates who are creative, adaptive thinkers. Tony Wagner, expert in residence at Harvard University's new Innovation Lab, made that point when he spoke at AACSB's Annual Conference in 2013. He said, "Work is no longer defined by your specialty. It is defined by the task or problem you and your team are trying to solve or the end goal you want to accomplish."

When innovation is the goal, Wagner notes, critical thinking and problem solving are the "first critical skills" young graduates need to develop. A grounding in traditional subjects like accounting and finance is still valuable; even innovation processes are subject to time and budget constraints. But business schools need to supplement those traditional disciplines with programs that teach students to think creatively, not just in one class, but throughout their working lives.

Loick Roche is dean and Mark Thomas is associate dean for international affairs and professor of strategic management at Grenoble Ecole de Management, France.

Get Real

BY ALEX TRIANTIS

Research shows that creativity rises with ceiling height, so why not raise the roof when asking students to be innovative? This fall at the University of Maryland's Smith School of Business, we'll actually remove the roof altogether in the undergraduate class called "Creativity and Innovation for Business Leaders: Outdoor Edition," taught by Distinguished Tyser Teaching Fellow Oliver Schlake. Students will first form teams and brainstorm products for outdoor enthusiasts; after visiting various retailers to observe customers in action, they'll return to the classroom to tweak their ideas.

Then it gets interesting. Using scanners and 3-D printers, students will create prototypes that they test in the wild over a full day spent outdoors in the forests around Washington, D.C. In case there's inclement weather, Schlake will bring a large customized and heatable teepee to provide shelter. Upon returning to the classroom, each team will pitch its product to the others. The four most promising will be chosen, the teams will realign, and students will build and field-test a new generation of prototypes. Meanwhile, students will draft their marketing pitches and shoot video footage to use for crowdfunding campaigns on websites such as Kickstarter and Indiegogo. At the end of class, they'll make presentations to a live audience of potential investors—and maybe launch a new business or two.

We're not the only business school offering students a chance to field-test ideas and see business in action. For instance, Harvard Business School now embeds its MBA



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To stay relevant in today's fast-changing economy, we must offer rich, meaningful experiences.

students in global environments and assigns them to work with real-world partners through a yearlong program called Field Immersion Experiences for Leadership Development (FIELD). Emory's Goizueta Business School pursues a similar mission with Management Practice, a sequence of courses that lead to field assignments with clients such as GE, Delta Air Lines, and AT&T. Meanwhile, students at Vanderbilt's Owen Graduate School of Management watch surgeries being performed and visit community clinics as part of a healthcare immersion course.

If business schools are going to stay relevant in today's fast-changing economy, we *must* offer rich, meaningful experiences that students can't have with competitors such as for-profit institutions and online MOOCs. We must transform ourselves from knowledge dispensaries into innovation hubs.

To do that, we must stimulate creative thinking, which is the process of idea generation; and we must encourage critical thinking, which is the process of analyzing data, synthesizing information from multiple sources, and evaluating solutions. At the Smith School, we're working to bring reality-based learning into every class. How? We follow these six steps:

Open two-way channels. We supplement traditional classroom instruction with real-world experience so that students don't just learn about companies—companies learn about students. Such exposure often leads to internships, job offers, and other exciting opportunities. As an example, for the past five years, Smith professor David Kass has taken his students to Omaha,

Nebraska, for Berkshire Hathaway's annual shareholder meeting. In 2014, the Fox Business news network invited Smith students to participate in a live on-air conversation with Berkshire Hathaway CEO Warren Buffet and his most famous board member, Bill Gates.

Get out of the silo. We develop relationships across campus by partnering with other thriving programs at the university, because students learn to think more innovatively when they work across disciplines. For instance, QUEST, a reality-based honors program, puts business, engineering, and computer science students together in the same classrooms.

Work cross-culturally. We push business students out of their comfort zones and help them to see past geopolitical and cultural boundaries to view problems from multiple perspectives. When I accompanied Smith students on a 2014 trip to China, they didn't experience the country in a bubble; they participated in a business plan competition that included multinational teams. (See "Venture Culturalists" in the September/October 2014 issue of *BizEd*, page 72.)


Emulate real business. Smith professors Brent Goldfarb and David Kirsch revamped their entrepreneurship course in 2012 after their research showed that few venture capitalists read business plans. Now, instead of spending a semester creating charts and summaries for potential investors, students launch

actual companies in a course called the Real Entrepreneurship Competition. They also learn to create a "business model canvas"—a term coined by Alexander Osterwalder—to answer nine key questions about what kind of business they're creating, what customers it will serve, and how it will make money.

Allow flexibility. We realize that a great learning experience for one student might not serve another. To teach ethics, we used to require all students to visit a prison, where they spent half a day meeting former executives prosecuted for white-collar crimes. The program worked well for many students, but not all. Now we allow options for studying ethical business, including opportunities to focus on social entrepreneurship and social value creation.

Unleash the faculty. We know that deans sometimes can drive innovation simply by getting out of the way of faculty. Most academics become professors because they crave meaningful interaction with students. They want to impact their students and how they think. In turn, they're infected by the enthusiasm of their students, creating a contagious atmosphere of innovation.

Incubating Ideas

By following these six approaches to teaching business, we show students how to bring creative solutions to real-world problems. We turn the school into an incubator for ideas—and we raise the roof on innovation. 

.....
Alex Triantis is dean of the Robert H. Smith School of Business at the University of Maryland in College Park.



ENTREPRENEURSHIP IN ACTION

At the C. T. Bauer College of Business at the University of Houston, we don't teach entrepreneurship.

We live and breathe it. We give our students the opportunity to experience it as they develop real business plans to take to market and engage with customers. They celebrate successes and learn from failures. They create and innovate.

We pair students interested in entrepreneurship with veterans of the business world, who act as mentors and provide insight that can't be found anywhere else. Our students also work with campus researchers to commercialize plans for their technologies, and in the last year, this partnership has led to five first place finishes in national business plan competitions.

Our nationally ranked Cyvia and Melvyn Wolff Center for Entrepreneurship helps students transform their passion into entrepreneurial success.





Setting Off SPARKS

BY SHARON SHINN

Innovative thinkers match creative solutions to existing needs. But how do business schools inspire innovative thinkers? Here, four business school educators who focus on innovation describe how they define it—and how they teach it in the classroom.

GUNNAR PIPPEL/THINKSTOCK

Go “Beyond Novelty”

CHRISTIAN TERWIESCH

Professor of Operations and
Information Management

Co-Director, Mack Institute
of Innovation Management

The Wharton School
University of Pennsylvania
in Philadelphia



An innovation creates value by providing a match between a need and a solution. This definition might appear somewhat complicated, but I find it useful because it breaks innovation into three parts.

First, it reminds us that innovation, unlike invention, goes beyond novelty. It must create value, either in a financial or altruistic form. Second, it points out that innovation must be customer-focused; a solution is useless unless it addresses somebody’s specific need. Third, it uses the word “match” to underscore innovation’s powerful ability to recombine elements. Innovation can take an existing solution from one industry and deploy it to meet, or match, an existing need in another.

Innovation plays a critical role in the field of business education. One reason is that we teach it as a subject to students who want to become entrepreneurs, help organizations drive organic growth, or launch careers in tech companies. A second and more recent reason is that our industry is rapidly changing, and we must innovate our own delivery systems if we’re going to serve our undergraduate, MBA, and executive students.

The key driver for this change in education delivery is the emergence of massively open online

courses. We have actively supported MOOCs at the Wharton School, and as of August, our four Wharton Business Foundation courses have attracted more than 1 million students.

Anyone who doubts that MOOCs can be transformational in students’ lives should know the story of Ankit Khandelwal, a young man from India who dedicated two years of his life to taking MOOCs from Wharton, MIT, Yale, and other institutions. His goal was to use MOOCs to create a personalized program he calls “Envisioning the 21st-Century Global Manager,” as he was determined to provide himself with the skill set of such a leader. He found the online discussion forums particularly useful, he told me, because “studying with so many bright-minded individuals around the globe was very exciting.” He also said that MOOCs “helped me exceed my own expectations and reinvent myself by providing quality education even when I was sitting more than 10,000 miles away.” He discusses his educational journey on his website at ankitkhandelwal.in/.

Despite the benefits of MOOCs, administrators at some schools worry that free online courses will cannibalize their highly successful academic offerings. To allay that concern, I find that it’s helpful to return to the original definition of innovation as something that creates value by providing a match between a need and a solution. Our students have a need: They want to acquire business knowledge. While a business degree is one solution, a MOOC offers an alternative. Since a MOOC is free and does not require students to take time off from work, it also creates obvious value for participants. So if “feeding students knowledge in a lecture hall” were the only value that traditional schools provided, we would indeed be threatened.

However, MBA students come to traditional business schools to fulfill an array of other needs. They want to establish credentials, join extracurricular activities, develop social networks, learn to manage their careers, and enjoy great learning experiences. When business schools focus on knowledge delivery alone, they risk dismissing those other critical student needs—and those needs offer many additional opportunities for innovation.

Remember that recombination is one approach to innovation. The best way for business schools to go forward might be to carefully explore how other industries have fulfilled individuals’ needs for credentialing, creating social networks, and developing their careers. It might be time to look outside the academic setting for true innovation.

Consider Both Result and Process

CARLOS A. OSORIO

Director, Innovation and Entrepreneurship Program

Adolfo Ibáñez Business School in Santiago, Chile



At Adolfo Ibáñez, we view innovation as both a result and a process. Considered as a result, innovation can be any new or nontrivial change in our products, services, or processes that solves worthy problems or meets needs and creates payback for the innovators. Considered as a process, innovation is the discovery-driven journey by which a team chooses a challenge and generates an innovation by solving it. Innovation is a social process that's all about impact; it's where the humanities, economics, management, and technology meet.

Our university was founded about 60 years ago to create impact on the Chilean industry, and we measure ourselves against that mission. More than a decade ago, we started looking at ways to incorporate innovation into the curriculum.

We began by exploring several questions: How can we achieve results similar to those in the U.S. and Europe? How can we foster innovation-based value creation? And driven by AACSB standards, how can we assure learning? We believed we could teach our students how to create value within both startups and corporations by helping them understand the innovation process, investments and patents, and other topics.

But we didn't just want our students to *learn* about innovation; we wanted to prepare them

Innovation is a social process that's all about impact; it's where the humanities, economics, management, and technology meet.

to actually *innovate*. Because we focus on enabling learning and building capacity, we emphasize activity and project-based learning. We have experimented for more than a decade to refine our educational process, using our courses as laboratories.

Along the way, we've learned some interesting lessons. For instance, people fail at innovating when they cut corners, when they search for "great ideas," and when

they can't cope with high levels of risk, uncertainty, and ambiguity. Innovators don't just have to put in long working hours, they must do so in emotionally difficult environments.

Therefore, we take our undergraduate, graduate, and executive students out of their comfort zones, because the magic happens in unfamiliar places. For instance, we've created a "personal innovation" course, managed by a psychologist, an actor, and a plastic artist. Adults are often insecure about their abilities to draw or paint and shy about acting or making presentations in public. But on innovation teams, people need to communicate visually and verbally, and they need to be comfortable in places where they don't *think* they have the abilities to perform. The three professors help students overcome their fear of failure in these areas. This is only one of the methods we use to nudge students out of their comfort zones.

We also generate an environment of high perceived risk and uncertainty. While students receive feedback about their work, they don't know their grades until the end of each module. Whenever they ask professors how to approach a task or design a deliverable, they hear: "Talk to your team. You're supposed to deal with ambiguity." In addition, we let them know change can happen at any time and in any area: deadline, content, information. When students from the fourth generation of our master's program set out on their international seminar, they didn't know until they were at the airport where they were flying or what companies they would visit.

Take a Holistic Perspective

ANNE DE BRUIN

Professor of Economics
Director of the New Zealand
and Social Innovation and
Entrepreneurship Research Centre
Massey University College
of Business in New Zealand



Students in the master in innovation program must write theses by assembling a set of real-world challenges, evaluating them, choosing one, and then solving it by generating an innovation. This is hard; the most common question each team faces is, “Where is the innovation?” Students have written theses on mining, energy, poverty, education, defense, and the food industry.

One way we measure the success of our program is through the impact our graduates have had, and we think it’s profound. Nearly 100 alumni have graduated from the master’s in innovation program. Among them, they’ve created innovations that jointly have secured investment for more than US\$10 million and produced 11 patents, and they have started up 15 new companies and ten corporate ventures. One of these start-ups, Innovaxxon, became the second-largest patenting firm in Chile in four years. An alum working for Arauco—a Chilean timber and forestry firm—helped the company become a poster child for innovation by using applied research to design Vesto, an antibacterial plywood, and AcercaRedes, a community-based social innovation project. The company is now a finalist for AVONNI, the Chilean national innovation award.

Our master in innovation program has just enrolled its seventh generation of students; the sixth generation is finishing its coursework, while those in the fifth are finishing their theses. We are hopeful that they, too, will use what we’ve taught them to inspire innovation and make an impact in the business world.

Innovation is multifaceted and occurs in various forms, but it’s most commonly considered from the mindset of product innovation. I often find that the many forms of social innovation—which include collaborations between stakeholders and the community—are not commonly perceived as part of the innovation landscape.

I believe we need to embrace a more holistic perspective on innovation, and one that uses a problem-solution lens. Therefore, my definition encompasses both economic and social value creation: *Innovations respond to problems and unmet needs in areas of economic and/or social value, and they involve the application of new ideas and processes or the reapplication of existing ideas in new ways.*

A collaborative approach is usually necessary for creating solutions that bring about societal change, and b-schools are essential collaborators. In 2010, the New Zealand Social Innovation and Entrepreneurship Research Centre (SIERC) was established at Massey University’s College of Business to provide a hub for interdisciplinary research and community engagement in social innovation and entrepreneurship. It pools the expertise of three Massey campuses, bringing in scholars who work in disciplines such as economics, management,

marketing, sociology, and psychology. SIERC associates also collaborate on ongoing projects with external affiliates.

To enable scholars and community members to share knowledge, SIERC provide several forums. These include two international conferences that have brought together social innovation and entrepreneurship stakeholders. For instance, in a special session in our 2013 conference, participants examined how nonprofits and community trusts exhibit resilience and adaptability. To increase the impact of our conferences, we make the proceedings free to access online.

SIERC associates also collaborate with practitioners to get social enterprise ideas off the ground. Our most recent collaboration is with Ākina Foundation, a charitable trust. We will help assess what impact there has been on the individuals who have participated in Ākina’s “Launchpad,” which helps teams develop their big ideas. Launchpad is a perfect example of a cross-sector collaboration,

Ignite Innovation

YOSSI FEINBERG

John G. McCoy-Banc
One Corporation
Professor of Economics
Director of Stanford Ignite
Stanford Graduate School of
Business in California



because it involves not only Ākina in the community sector, but also Contact Energy from the private sector and the Department of Internal Affairs from the government sector.

Via SIERC, Massey University has signed a memorandum of understanding with Ākina to collaborate on research activities and work together on case studies of Ākina's program participants.

SIERC also is generating a series of case studies designed to lead to a deeper understanding of social innovation. In our first case on the Wellington Zoo, three colleagues and I studied how entrepreneurship and innovation are necessary to build the value of the community assets that are under the zoo's guardianship. However, as an interviewee stressed, "We walk a tightrope between commercial and community concerns." We also investigated the zoo's annual reporting structure to determine how accountability works at organizations that receive public funding. Accountability can get overlooked when strategy and development are guided by social need, so we promote best practices in social responsibility and environmental reporting.

New Zealand's eight universities have a statutory obligation under Section 162 of the 1989 Education Act to "accept a role of critic and conscience of society." At SIERC, we interpret that as a directive to innovatively mitigate today's complex social and environmental problems through research, partnership, and cooperation. We believe it is a worthwhile goal for all b-schools to partner in collaborative efforts that usher in the next wave of global innovation.

For business leaders to have impact, they must be able to define needs and uncover new ideas, and then move projects forward. In other words, they must be able to think innovatively. But how can business schools partner with executives, future business leaders, and nonbusiness professionals like engineers to ignite innovative thinking? I believe there are three answers. First, reduce fear of failure by teaching people to assess risk. Second, nudge people out of their comfort zones by empowering them to think broadly, develop empathy for users, and create tools for execution. And third, utilize technology in pursuit of both of these goals.

There is no single right way for business schools to teach skills or deploy technology. But at Stanford Graduate School of Business, we have developed teaching methods designed to help students master both innovation and execution. For instance, various courses in our MBA program teach a step-by-step prototyping process in which students brainstorm ideas, conduct user interviews, and consider a broad range of possible solutions before finalizing a strategy, service, or product. We actually put students out on the street to interview passers-by about product or process ideas. This helps them develop probing interview skills and

Technology not only can revolutionize the classroom, it can drive economic growth around the globe.

develop empathy for users, which leads them to link innovation to an actual need.

We've also found ways to use technology to bring our brand of education to audiences around the world. We believe that technology not only can revolutionize the classroom, it can drive economic growth around the globe, especially in emerging markets of innovation.

Those have been two of our goals with Stanford Ignite, a part-time program aimed at working technical professionals and graduate students. Classes are made up

of physicians, scientists, engineers, bioengineering PhD students, and others who need to learn the business processes that will allow them to commercialize their ideas.


We started Stanford Ignite by holding nine-week evening programs and four-week full-time programs on our campus in California. Then we expanded to Bangalore, India; Santiago, Chile; Paris; and Beijing. While some of the courses feature in-person teaching, we also use high-definition live video technology to beam faculty to those locations. We take a high-touch, high-impact program and distill it into a condensed format that is portable and flexible—and

that changes lives, no matter where in the world students are when they enroll in the program.

I've been stunned by the incredible solutions, with impact on real people, that have come out of the program. For example, electrical engineer Sam Mazin co-founded RefleXion Medical, now a venture-backed company developing a biologically guided radiation therapy system that more accurately targets solid tumors in the body. Mechanical engineer Lee Redden co-founded Blue River Technology, which uses computer vision and robotics to build agricultural solutions that aim to dramatically increase yields and

move industrial farming toward plant-by-plant care.

Then there's Australian Jenna Tregarthen, a clinical psychologist whose close friend suffered from an eating disorder. She created the mobile app Recovery Record that helps people with disorders monitor food intake and offer anonymous, round-the-clock support. Since it launched, nearly 200,000 individuals have completed 6 million therapeutic assignments designed to derail unhealthy urges.

Teaching people how to bring their ideas to life is what gets me up every day. It's the ultimate impact of management education. 

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PASSION

Projects



BY TRICIA BISOUX

Sometimes innovation on campus can come from small realizations. One professor might notice that something's missing from students' experiences. Another might see an opportunity to share ideas with other faculty with the same goals. Still another might see a need in the community that a new course, project, or change in mindset could effectively address. The question is, will they simply make the observation and move on? Or will they take action to make something happen?

The following pages describe how three professors found projects they believed in, jumping into uncharted waters to create something that didn't exist at their schools before. Becoming academic entrepreneurs presented big challenges, they say, but the payoffs—to their students, their schools, their communities, and themselves—were worth the effort. Some of the best educational innovations can happen when academics simply follow where their enthusiasm leads.

ANTHONY HARVIE/GETTY IMAGES

Grassroots Innovation

X-CULTURE

Vasyl Taras
Bryan School of Business
and Economics
University of North Carolina
at Greensboro

In early 2010, as Vasyl Taras searched for a new international business textbook for his course, he noticed that all 17 textbooks he evaluated covered the same concepts and followed the same chapter order. Only the exercises, examples, and statistics differed.

“That’s when it occurred to me,” says Taras, a professor of business administration. “If all faculty teaching international business use more or less the same textbook, maybe I could find professors in different countries who would team their students up with mine on a real-world virtual team consulting project.”

Taras posted a message on the listserv of the Academy of International Business (AIB) to ask if any other professors were interested in the idea. Within the hour, he says, he had received dozens of messages that said, “Yes, let’s do it.”

That was the origin of “X-Culture,” a ten-week project that teams students from universities worldwide to consult on international business projects for companies. In its first offering in 2010, X-Culture brought together 500 students from seven countries on team projects. Since then, X-Culture has grown to include nearly 100 professors at 90 institutions in 44 countries, and it enrolls nearly 3,000 students who represent 100 nationalities of origin.



Vasyl Taras at the Mercedes-Benz plant in Istanbul, Turkey.

Throughout its evolution, X-Culture has kept to its startup roots, supported by only a handful of small grants of a few hundred to a few thousand dollars. The money comes from UNCG, other participating schools, and educational nonprofits. Taras thinks a lack of funding actually might be a blessing in disguise, because it ensures that the people involved are truly committed to the project. “We believe in what we do, not because we have the cash to spend, but because we feel that it’s important,” says Taras. “If I had more money, it wouldn’t be the same. It would feel more like a job.”

Real-World Challenges

For the first X-Culture projects, student teams wrote business plans for a hypothetical company. But word got out, and by 2012 Taras began getting calls from companies asking if students could analyze their own

international business challenges. Today, student teams can choose to work on one of the 12 projects faculty have selected from those that companies submit. Or, they can select projects from different companies altogether, as long as at least one team member has a contact at the company and all team members agree to the choice. Of 500 student teams, about 100 choose their own projects.

Last spring, for example, X-Culture teams worked on projects from a video arcade game company in India that wanted to expand into Europe and North America, a children’s clothing company in Spain that was looking for franchising opportunities in other countries, and a consulting company and a peer-to-peer evaluation systems company in the United States that both aimed to expand beyond North America.

At the end of the ten weeks, faculty choose the most promising team projects based on criteria such as the novelty and economic feasibility of their ideas. About 100 students on the best teams are invited on a ten-day trip to an international city. While there, they visit a company whose project many have worked on and have face-to-face meetings with executives. Not all students who are invited can attend, either because they cannot obtain visas or they cannot afford the trip. The AIB provides stipends to help defray travel expenses.

One year, students traveled to Atlanta, Georgia, to visit Home Depot’s headquarters and present their ideas for improving the company’s website to the CEO and CFO of its online division. The executives chose a team that

recommended improving the aesthetics of online user account pages and adding reminders to buy products like light bulbs and air filters. Another year, teams met executives at Daimler AG's Mercedes-Benz bus and truck manufacturing plant in Istanbul, Turkey. The company had asked students to recommend ideas for designing a truck marketable in developing countries. Instead, the winning team recommended that the company create a social network to allow truck drivers to connect via onboard computers. That shows just how creative the students can be, says Taras. "This team's solution wasn't what the company asked for," he says, "but executives still chose it as the winner."

Although most X-Culture projects come from large companies, Taras recently included a project from a small bike shop in Greensboro that wanted to market its used bike recycling services beyond North America. Although he feared that no student teams would choose to work on a project from such a small operation, nearly 200 chose the bike shop.

"At first, it was a disaster!" says Taras. "The bike shop had students calling every five minutes, and we were getting calls from Mercedes-Benz and Home Depot asking why their projects weren't more popular." Now that Taras knows students are interested in small business projects, he plans to include more such dilemmas in the future, as well as those from nonprofits and the arts.

Putting It All Together

It's a huge task to run X-Culture each semester, but Taras receives



X-Culture students visiting the Home Depot headquarters in Atlanta, Georgia.

administrative support from the Bryan School, from the Florida Institute of Technology in Melbourne, and from participating professors who volunteer to help as needed.

One of Taras' biggest challenges is scheduling, because different schools follow different academic calendars. Students at schools whose semesters start latest—such as those in Europe and Australia—begin working on their projects on their first day of class. Students at schools whose semesters end earliest—such as those in the U.S.—end their projects on their last day of class. That means that American students spend the first few weeks preparing for the project, but their semester ends before they have time to give final presentations; German students jump into the project immediately, but have time for final presentations in their last weeks.

Throughout the semester, Taras monitors the performance of the teams and collects the data they submit. He sends all professors weekly records of their students' performance and peer evaluations.

Whenever possible, X-Culture faculty meet in person at AIB con-

ferences to coordinate their efforts and discuss grading rubrics. Taras sets only one grading requirement that all participating faculty must follow—team projects and peer evaluations each must count for at least 20 percent of students' final grades. "Other than that, we leave grading up to the professors," says Taras. In this way, X-Culture creates an environment much like a real-world globally distributed workplace, says Taras, where people can come from different subsidiaries and companies, and so, are evaluated and compensated differently.

Massive Open Online Teams

Taras had initially designed the project for undergraduate international business courses, but the project now attracts undergraduates and MBA students in equal numbers, as well as students in other disciplines such as psychology and engineering. The fastest-growing segment in X-Culture now comprises EMBA students and full-time employees seeking international experience.

Before the semester begins, Taras receives enrollments from participating faculty and creates

teams of five to seven students each. As much as possible, he tries to ensure that each student on a team comes from a different school and country. However, while the diversity of each team is a priority, he has found that the project works best when undergraduates are teamed with undergraduates, MBAs with MBAs, and executives with executives. The reason? Differences in attitude can magnify problems that naturally arise on virtual teams, overwhelming the project's learning goals.

"It's not that undergraduates aren't as skilled as MBAs," emphasizes Taras. "It's that, when we've tried mixing teams by experience level, the MBAs blame problems on the undergraduates because they think the undergrads are irresponsible or unskilled, and the undergraduates blame the MBAs for being too bossy. By keeping them separate, we don't have that extra level of diversity but the quality of the experience is still the same. Everybody is happier."

Technical Differences

Taras uses free online tools for X-Culture to ensure that all students can access the platforms even after they finish their projects. However, at the same time students are grappling with different time zones and cultural barriers, they also must overcome any differences in technological capabilities among their team members. Students in Ghana, for example, may not own a computer or tablet, so they must schedule time to use computers at a local library. Students in China or Iran may not have access to Facebook because of government censorship.

The fastest-growing segment in X-Culture now comprises EMBA students and full-time employees seeking international experience.

Before the project begins, each student receives a 100-page PDF that discusses these issues and includes instructions for using tools such as Google Translate, Google Docs, Dropbox, Skype, and FaceTime. Students can opt to use as many or as few collaboration tools as they wish. Some teams might purchase access to a conferencing tool such as GoToMeeting; others might rely only on email.

Before students can participate in the project, they must pass a one-hour online readiness test that measures factors such as English skills and technological literacy. Each year, about 300 students either fail the test or do not take it. In these cases, individual faculty members must provide an opt-out alternative, such as a research paper or local project.

More Than Learning

X-Culture also has become a vibrant platform for research. Using data they've collected in the course, faculty have published several papers, with nearly a dozen more under review, that explore the roles of factors such as cultural intelligence and interpersonal interactions in improving virtual team performance. Several now are writing a textbook on how to use experiential learning in international business education.

(See the results of one study in "Getting from Shirk to Work" on page 58.) In September, Taras won a US\$75,000 grant from the Society of Human Resource Management to support the X-Culture team's research for the next two years.

With X-Culture now entering its ninth semester, Taras plans to expand the project in several ways. He wants to create French- and Spanish-language tracks for the course—currently X-Culture is delivered only in English. He also would like to invite more student teams to meet with companies face-to-face, possibly by soliciting more stipends from AIB and sponsoring companies.

His biggest objective is to have student teams vie for actual contracts. "If a team writes a winning marketing strategy for a game station company, we'd like that team to have the opportunity to find clients, sell that machine in the chosen market, and earn a commission," says Taras. "Real clients, real problems, real contracts—that's our ultimate goal."

To learn more about X-Culture, X-Culture faculty research, or ways to participate, visit www.x-culture.org.

Inspiring Social Solutions

IMPACT INVESTING

Henrietta Onwuegbuzie
Lagos Business School
Pan-Atlantic University
in Nigeria

The proliferation of profitable social enterprises is of utmost importance the world over, but perhaps nowhere is it as crucial as in Sub-Saharan African countries. That's the push behind Impact Investing, part of the entrepreneurship program at Lagos Business School. Taught for the last two years by Henrietta Onwuegbuzie, lead faculty of entrepreneurship, Impact Investing sessions teach MBA students to create profitable businesses with a sustainable social and environmental impact.

Her goal is to do more than teach students *about* social enterprise. "I want my students to understand that doing good is compatible with doing well financially," says Onwuegbuzie. "I also want them to realize that they can start a business with little or no capital and work gradually toward their vision."

At the start of the semester, Onwuegbuzie provides each student with seed capital of N5,000, the equivalent of US\$30, to build businesses that create value, make a sustainable social impact, and earn a profit. In the course's first run, the students created 12 businesses, including a fashion swap, a tutoring service for high school students, and a company that recycled and refurbished computers, five of which were donated to schools or awarded to deserving students. All made a profit—some did so with-



Henrietta Onwuegbuzie teaching an Impact Investing session.

Students create profitable businesses with sustainable social impact.

out even using their seed capital.

Student Oluwagbemileke Otun created "10 for 10 Accessories," an enterprise that aimed to address childhood malnourishment by feeding ten poor children for every N10,000 customers spent on pieces of costume jewelry. She sourced jewelry from a friend and sold it on a website she built herself. The market response was overwhelming, says Onwuegbuzie. Once Otun communicated the goal of her business, customers not only purchased items, but some also donated money and offered to invest in the



Student Oluwagbemileke Otun as she presents her business plan for "10 for 10 Accessories."

Engaged with the World

business. In 11 weeks, Otun's revenues reached more than \$10,000; her company made a profit, even after feeding 1,500 children and providing them with books to "feed their minds," as Otun put it.

Another student, Uka Osaigbovo, created an online platform selling furniture made by roadside furniture makers. Osaigbovo wanted to provide these artisans with access to larger markets, so they could increase their sales and pull themselves out of poverty. The furniture has been so popular that Osaigbovo was able to obtain a franchise agreement from Alibert, an Italian-based furniture company. His website at www.domestico.com.ng now features furniture from roadside artisans and other sources.

Onwuegbuzie believes that programs such as Impact Investing not only can develop responsible leaders, but also can help eradicate one of the world's largest social ills: terrorism. As the divide between rich and poor grows larger, the poorest often resort to terrorist activity to empower themselves. By showing students that they can build profitable social enterprises, "we can begin to bridge this gap and build a safer society," says Onwuegbuzie.

As Osaigbovo and Otun note, businesses must realize that their stakeholders aren't just investors and customers, but also society and the environment. "It's very important for all entrepreneurs to know that your business cannot live in isolation from the society that you're in," says Otun. "If the society is not at peace, your business cannot be at peace."

To see a video about students' Impact Investing projects, visit tinyurl.com/ovbosnn.

LIFE DESIGN CLASS

David Gould

College of Liberal Arts
and Sciences

University of Iowa
in Iowa City

David Gould's academic career path took a different turn when, in 2009, an associate dean asked him what could be done about the school's dipping undergraduate retention rates. Gould, then the college's associate director, thought he knew what might be a contributing factor. He had seen too many students choose "sensible" majors that supposedly would lead to jobs with lucrative salaries, rather than follow their hearts into disciplines that society deemed too impractical to sustain lifelong careers.

"If I asked students what they were really passionate about, they didn't have an answer," says Gould. "If students want to study art, literature, anthropology, or psychology, but they're majoring in computer science or pre-med, that's not a happy place." That unhappiness led many students to feel bored, disillusioned, or lost—some simply dropped out of school altogether.

In 2010, Gould created his Life Design Class to help students make better choices for their futures. A kind of introspective laboratory where students identify their passions *and* discover paths to life-sustaining careers, Life Design meets twice a week and includes inspirational readings and reflective writing assignments on students' core aspirations. While the one-credit course counts toward gradu-



David Gould

ation, it does not count toward any major.

"My colleagues very caringly told me that 'learning for learning's sake' was low on students' priority lists," says Gould. "They thought the course was destined for failure." Instead, Gould had 150 students register for the course's first offering. That number quickly doubled, and Gould had to create a long waiting list. Students signed up, he says, "because they saw intrinsic value in it."

Unexpected Partnership

As he prepared to offer the Life Design Class in the summer of 2010, Gould also was conducting an online book club for past students, in which they read and discussed books by authors such as Daniel Pink, Seth Godin, and Malcolm Gladwell. Among the titles Gould included was the just-released *Delivering Happiness: A*

Path to Profits, Passion, and Purpose by Tony Hsieh, CEO of online retailer Zappos.com. On a whim, Gould wrote Hsieh to ask for a phone interview.

Hsieh didn't just agree to a phone interview—he agreed to be interviewed in front of Gould's class. After that visit, Gould began inviting everyone from McArthur Genius Grant recipients to actor Ashton Kutcher to give motivational talks to the class. Soon, students were coming to Gould's office to let him know they'd chosen majors they loved and found mentors. "But there would be a pause, and then they'd say, 'I'm graduating in a few weeks, and I don't know what's next in the playbook,'" says Gould. With the country just emerging from the recession, these students were carrying heavy loads of student loan debt and had few job prospects.

"The scariest part was that they actually thought I had a playbook," says Gould. He realized that it wasn't enough for students to simply find their passions. If they didn't know how to turn those passions into fulfilling careers, then he hadn't solved the problem.

In 2012, Gould proposed another experiential—and experimental—class to his dean. He wanted to create an interdisciplinary team of students, from finance majors to dance majors, to work on social problems—and he immediately wondered if Hsieh might have a project for his students. Since his visit to Gould's class, Hsieh had invested US\$350 million to purchase 19 blocks of Las Vegas' struggling and forgotten downtown district, located miles away from the famed Las



Professors brainstorm ideas for educational innovation as part of a faculty institute that Gould held in June.

Vegas Strip. In what he called the "Downtown Project," Hsieh had moved the company's headquarters from Henderson, Nevada, to the old city hall building in the heart of downtown, in spite of the neighborhood's high crime rates. He also had hired individuals to support the project and granted small business loans to entrepreneurs who opened new businesses in the area. Believing that college students could bring new perspectives to the project, Hsieh gave Gould \$50,000 to create "Reimagining Downtown," a course offered in the spring of 2013.

The 14 students who enrolled in Gould's "Reimagining" class spent the first eight weeks of the semester studying the challenges facing downtown Las Vegas; then they collectively chose to launch Sugarcoat, a venture that makes healthy desserts from organic ingredients such as kale, honey, and carrots. The students continued to work on the business model for the second half of the semester and through the summer. Two students, Chelsea Gaylord and Kelsey Hastings, relocated to Las Vegas after graduation and continue to manage Sugarcoat's operations today.

Hsieh then offered Gould a salary and living accommodations,

so that Gould could temporarily relocate to Las Vegas to meet with business owners and residents. At the same time, Gould transitioned from his role as associate director of the College of Liberal Arts and Sciences to become the Obermann Public Scholar for the University of Iowa. In this position, he says, he has "one foot in academia and one foot in social entrepreneurship."

Sudden Turn of Events

Gould spent more than a year in Las Vegas, discovering both how a city can collectively learn and evolve, as well as how higher education can be improved. Soon, he extended his "Reimagining Downtown" project to other schools. For instance, this year a group of Harvard MBAs came to Las Vegas and met 40 community leaders; they then created a pilot program that mentors small business owners and provides them with a student-designed business curriculum, delivered via Skype and social media. Gould also worked with a student team from Babson College and the nonprofit MBAs Across America. The team studied The Window, a community center that opened in spring 2014 that provides free co-working office space to the public by day and acts as a



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Even when projects don't turn out as planned, academics gain new knowledge and experiences.

venue for nonprofits to hold classes and workshops at night. As part of their analysis, the Babson students suggested ways to ensure The Window generates enough revenue to support its cost and continues to meet the needs of downtown residents and businesses.

Eventually, more than 400 people were coming to downtown Las Vegas each month just to study the progression of its revitalization and contribute where they could. “Our students want to get their hands dirty. They want to take what they’re learning and make something happen in the real world,” says Gould. “Cities need students’ work and idealism to move forward, and they can be a playground where students can exert their energy.”

In the last two years, the Downtown Project grew to include 300 entrepreneurs, but as Gould explains, even the idealism of Hsieh’s vision could not overcome deficits in the project’s planning. The trajectory of the Downtown Project took an unexpected turn in late September, when it was announced that Hsieh was leaving the initiative and that the project—and many of the startups it had supported—had become financially unsustainable. New leadership now oversees its operations, and the future of the new businesses that remain is in question.

Gould resigned his position

soon after, and in an open letter to Hsieh published in the *Las Vegas Weekly*, he expresses his sympathy to those who lost their jobs. But he also shares his conviction that the project’s objective is still as vital as ever. “Though I have come to understand the formidable challenges inherent in transforming a city, the story [Hsieh] crafted was not only visionary, but attainable.”

New Aspirations

Although Gould’s work with the Downtown Project has ended, he plans to encourage more professors to create real-life city-based projects for their students. In June, for example, he invited 20 primarily tenured professors from the University of Nevada Las Vegas and the University of Iowa to a Faculty Institute in Las Vegas. There, they met with Eli Kaufman from A Hundred Years, a design studio and consulting firm in Los Angeles that helps firms think in more innovative ways.


The goal was to emphasize the importance of educational entrepreneurship, which Gould believes is vital in today’s rapidly changing higher education environment. “We talked about breaking out of traditional academic molds and teaching classes in new ways, whether that means co-teaching a class or sending students to ‘winterims’ in Las Vegas, using the city as our classroom. We want to be as creative we can.”

Gould will move back to Iowa City, where he’ll continue to teach his Life Design class. While he is disappointed by the outcome of Hsieh’s initiative, he appreciates what he has learned and is no less enthusiastic about what his stu-

dents accomplished in Las Vegas. Gould hopes professors in all disciplines will make it their biggest priority to galvanize their students’ talent to inspire real social change.

He admits that academic entrepreneurship comes with risk and the possibility for failure. But even when projects don’t turn out as planned, academics will have gained new knowledge and experiences that they can apply to their next projects. “I still believe that as academics, we must stay plugged into the world in real ways,” says Gould. “Our cities need our knowledge and our students’ energy and idealism. That’s exactly the direction we should go. The only other choice is to say that we *can’t* change the world, that we *can’t* make a difference.”

The latter choice, says Gould, is not an option at all. “Too much of a professor’s academic success is based on building up a vita by publishing in the right journals and attending the right conferences. When this is our focus, we often don’t have conversations with those on the ground dealing with problems,” he says. “What’s the use of publishing a paper that six people read before it sits on a shelf in a university library like an object in *Raiders of the Lost Ark*? If we could apply our teaching and research in meaningful ways and see the real results of our work, I believe nothing would be more fulfilling. Our dissertations and research studies should be measured by the impact they have on social and environmental problems.”

To learn more about the Life Design Class visit www.uiowa.edu/~lifeclas/. 

WELCOME



Yael HOCHBERG

*Ralph S. O'Connor Associate Professor in Entrepreneurship
and Associate Professor of Finance*

We are pleased to announce the addition of Yael Hochberg to the faculty of Rice University. Faculty lead for the Jones School's entrepreneurship initiative and academic director of the Rice Alliance, Hochberg is also managing director of the Seed Accelerator Rankings Project.



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Big IDEAS on Campus

Today's business schools are all about innovation. Not only are they teaching students how to think creatively, they're revamping their own campuses with new courses, delivery systems, and financial models. The following pages offer a selection of intriguing courses, individuals, and ideas that showcase the types of experimentation and innovation happening at b-schools right now.

Innovation That's...*Entrepreneurial*

The ultimate goal of a business degree is to help a graduate land a job or start a business. Here are a couple of school-sponsored initiatives that not only allow students to run the shop, but also encourage them to pay their success forward.

■ Five years ago, Missouri Western State University in St. Joseph partnered with Rocky Mountain Chocolate Factory (RMCF) of Durango, Colorado, and entrepreneur Steve Craig on a program that provides hands-on learning and leads to business opportunities for graduates. Craig, a real estate developer and namesake of the Craig School of Business at Missouri Western, asked faculty to create a program that would enable new graduates to become entrepreneurs within six months of graduation.

The resulting program is an applied entrepreneurship class open to seniors and alumni. It culminates in a competition, where students present a business plan for a franchise. Proposals are judged by faculty, university officials, RMCF executives, previous winners, and successful entrepreneurs. Since the program's inception, students have been awarded 18 stores in 13 states; in 2013, those stores generated total sales of US\$6 million dollars.

New owners have access to volunteer business executives who mentor them; they also receive a loan that provides working capital and covers the cost of intensive training, moving expenses, and the purchase price of the franchise. While purchase prices have varied by location, the highest loan was for \$250,000. Craig loaned the money to the first nine winners,

and loans for subsequent winners have been financed by RMCF. In addition, Missouri Western faculty members and executive advisory council members provide ongoing mentoring, consulting, and assistance for three years.

Winners agree to pay off their start-up loans within five years and make donations to Missouri Western from their profits. They also serve as peer advisors for students in the applied entrepreneurship class and frequently create internships for the students.

Because winners are running their own businesses immediately upon graduation, the program is truly transforming lives, says Pam Klaus, director of franchise programs. She adds, "We believe this program has been successful because it starts with a class in the business school, includes internships and franchise training, and then continues after class with strong support provided by business executives and alumni."

■ Students are responsible for running three different businesses at Pace University's Lubin School of Business in New York City, all three overseen by the university's Center for Student Enterprise.

• The Pace Perk Café, founded in April 2010 by two students, is a late-night café spot open from 9 p.m. to 1 a.m. Ten student managers run the business, which employs 13 students and had sales of \$125,000 in 2013. With retained earnings of more than \$20,000, the Perk was able to make a \$5,000 loan to the newest student-run business, Pace Mart, for startup funds.

The Perk also serves as a learn-

ing lab for other students: Last fall, a graduate auditing class did an audit of the Perk, which provided valuable insights to both the graduate students and the student managers of the Perk.

• Pace Connect is a student-run call center that works on behalf of university clients. When it was founded in the fall of 2012, it contacted alumni to raise money for the Pace Annual Fund; within a year, it was also contacting graduates on behalf of Pace Career Services to collect information about alumni jobs. It now also makes calls for the Office of Student Assistance to help current students set up payment plans for past-due balances; the Office of Student Success to identify second-semester freshmen who are having problems or considering not returning to Pace; and the Office of Enrollment to invite admitted students to attend preview events.

A team of four student managers runs the business, which employs 20 students. The center operates out of an accounting classroom, using Skype to make calls and Salesforce.com to track data. The business had revenues of \$26,000 this year and has retained earnings of about \$2,000.

• The newest operation, Pace Mart, is a convenience store run by eight students who negotiated with Pace Administration to plan the enterprise. They're working with a new type of student account called Dawg dollars that will allow students to use their swipe cards to make purchases. The store was piloted in April in a small area of the school library, but a full store was planned for the fall; it will employ at least 20 students and be open eight hours a day.

Innovation That... *Reframes*

■ On the road to receiving their business school acceptance letters, most MBA hopefuls expect to run the gauntlet of applications, essays, and a few on-campus interviews. But the University of Toronto's Rotman School of Management in Canada has added one more activity to the list: the Rotman Problem Solving Challenge.

Since 2013, Rotman has given prospective and incoming full-time MBA candidates the opportunity to “dive deep into a messy, unstructured problem,” explains Ken McGuffin, who manages media relations for the school. Faculty choose a winner, who receives a full scholarship to the MBA program, and several runners-up, who receive partial scholarships.

In 2014, they explored the opportunities and threats presented by the growing prevalence of social media. This year, the school awarded CAN\$300,000 in scholarship money.

The challenge benefits the school in three ways, says Leigh Gauthier, the acting director of recruitment and admissions for the school's full-time MBA program. First, it attracts prospective students from around the world to campus. Second, it gives participants a preview of what it's like to attend Rotman's programs. Finally, says Gauthier, the challenge gives the school's admissions team an opportunity to “scout for talent” and see potential students in action before making final acceptance decisions.



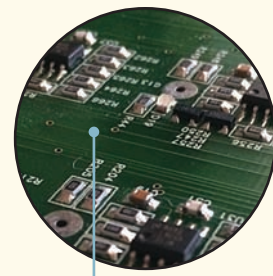
Innovation...In the *Classroom*

How can business schools teach students to think innovatively? By creating interdisciplinary courses that force them to integrate different kinds of skills and knowledge—and by cultivating an environment where entrepreneurial teaching is rewarded. Here are several schools that are pushing that envelope:

■ In May of this year, Carnegie Mellon University in Pittsburgh, Pennsylvania, launched the Integrated Innovation Institute, which hopes to “speed the pace of innovation” by cross-training students in business, design, and engineering. The institute is co-directed by Peter Boatwright of the Tepper School of Business, Eric Anderson of the College of Fine Arts, and Jonathan Cagan of the College of Engineering. The institute is a joint initiative of the three schools.

At the core of the institute are three degrees: the new master of integrated innovation for products and services (MII-PS), a master of science in software management, and a professional master's degree that debuts in fall 2016 as part of the university's new integrated media program. In all the programs, the three disciplines are emphasized equally as engineering, design, and business students work side by side in courses and on projects. Instructors from two or three of the different disciplines team-teach many classes.

The capstone course of the MII-PS, called Integrated Product Development, takes multidisciplinary project teams through the four phases of product creation: identification, understanding, conceptualization, and realization. Teams have worked on projects ranging from



Innovation That's...*Inventive*

Business schools can nurture innovation by encouraging students to launch new ventures—and by supporting the competitions, incubators, and accelerators that support fledgling entrepreneurs. Here are just a few highly creative businesses that were hatched in the past 12 months and that have drawn resources from business schools:

■ **Everybody hates ads, right?** But what if people were actually paid to view them? Now there's an intelligent Android app called Slidejoy that pays users to view ads whenever they unlock their smartphones. It was created by a team from the Wharton School of the University of Pennsylvania in Philadelphia, and it won the \$30,000 Perlman Grand Prize of the 2014 Wharton Business Plan Competition.

Team members Sanghoon Kwak, Jaeho Chung, and Robert Seo explain that, over time, Slidejoy learns user preferences, allowing it to curate "a more profitable and relevant user experience." Users are paid between \$5 and \$15 per month for using the app. In the first three months of the app's life, it was downloaded more than 20,000 times, and it delivered more than 26 million ad impressions. Initial advertisers included Groupon, Best Buy, Adidas, J. Crew, and Macy's.

Learn more at www.getslidejoy.com/.

■ **Businesses and educators** alike are calling for more students to learn science, technology, engineering, and math—but many school districts can't afford to invest much in the way of hands-on training in these STEM disciplines. Aditya Kumarakrishnan hopes to change that by equipping the Tesla Truck. The STEM/hands-on lab and "mobile maker space" will bring courses like robot-building, flight design, 3D printing, and vocational training to schools and the local community.

Kumarakrishnan, a student at Queens College, won the top \$10,000 prize in the CUNY IVE SmartPitch Challenge, designed for student teams from New York colleges. The competition was hosted in June by the CUNY Institute for Virtual Enterprise and the Lawrence N. Field Center for Entrepreneurship at Baruch College. Kumarakrishnan planned to use the prize money to buy his first truck.

Kumarakrishnan came up with the idea while he was mentoring a robotics team in a Bronx classroom and realized the kids had no resources. He believed that a mobile lab would be useful and cost-efficient for city schools that didn't offer traditional shop classes. See him describe his idea at www.youtube.com/watch?v=v1DVN4FPyuo.

■ **Unmanned drones** have long been staples in the military, but like many inventions devised for war, they're being co-opted for commercial use. Late last year, a startup named Squadrone System unveiled HEXO+, a drone with integrated cameras that track an iPhone, allowing the operator to conduct aerial filming almost anywhere. The founders expect the camera drone to be particularly useful for recording extreme sporting events that take place in snow or mountains.

Squadrone was created with the help of IncubaGEM, a startup incubator located at Grenoble Ecole de Management in France that provides up to 18 months of support for students and alums launching new enterprises. Among Squadrone's founders was Medhi Mugnier, an advanced masters student in entrepreneurship at GEM, and Sylvain Montreuil, who graduated from Grenoble in 2005. Other team members are Antoine Level, Christophe Baillon, snowboarder Xavier de Le Rue, and producer Matthieu Giraud.

In June 2014, they kicked off a crowdfunding campaign on Kickstarter, and it raised more than \$1 million within a month. See more details at www.kickstarter.com/projects/sqdr/hexo-your-autonomous-aerial-camera.

■ **One of the most promising** aspects of innovative thinking is its potential to improve the quality of life for those struggling with adversity. That is the goal for Gregory Mattes, a 2014 MBA graduate from the Indiana University Kelley School of Business in Bloomington. Through a new startup called Analog Computing Solutions (ACS), Mattes hopes to improve the quality, speed, and longevity of hearing aids and myoelectric prosthetic devices.

Mattes created a business plan to commercialize analog computer technology originally developed by Ken Yoshida, associate professor of bioengineering at Indiana University-Purdue University Indianapolis. The technology was based on an invention developed nearly 20 years ago by Jonathan Mills, a professor of informatics and computing at IU Bloomington. The technology was licensed by IU's Research and Technology Corporation.

Mattes' company will use low-power analog computing technology to prolong battery life, boost the sound filtering algorithms of hearing aids, and improve the signal processing function of prosthetics. His plan received \$100,000 in startup funding in IU's Building Entrepreneurs in Software and Technology competition.

Read more about Mattes' company at analogcomputing.com/team.html.



shower products designed for new mothers to automobile upgrades that will appeal to Millennials. For detailed examples, visit www.cmu.edu/integrated-innovation/mii-ps/industry/index.html.

Boatwright has observed many times when the multidisciplinary nature of a team has helped a group solve problems. “An engineering student will put the brakes on a design by saying, ‘We can’t make it work exactly like that.’ Or a business student will ask, ‘How might we distribute that to our customers?’ Or a design student might say, ‘That approach doesn’t fit into lifestyles, but if we...’”

The degree programs are augmented by a pilot innovation laboratory where grad students tackle real-world cases sponsored by corporations or work on social-purpose endeavors funded by the institute. A recent sponsored project was a prototype for a self-sustainable water purification system that utilizes the weight of water to destroy harmful bacteria.

“Increasingly,” notes Anderson, “organizations recognize the impact that engineers, designers, and marketers who understand one another’s thinking can have working together at the ‘fuzzy front end’ of a project.”

■ In 2011, Denmark’s Aarhus University formed its School of Business and Social Sciences (BSS), which merges the business disciplines with social sciences such as law, psychology, communication, and political science. Formed to recognize the growing intersection between the public and private sectors, particularly in many European countries, the BSS anticipates

“Organizations recognize the impact that engineers, designers, and marketers who understand one another’s thinking can have working together at the ‘fuzzy front end’ of a project.”

**—Eric Anderson,
Carnegie Mellon University**

that its students will go on to careers that touch down in both arenas.

As part of this dual focus, the school’s faculty believes teaching to be crucially important. As a result, it has formed “a large-scale educational development” approach, says Torben Jensen, director of the school’s Centre for Teaching and Learning (CUL). The school has adopted a number of teaching-related initiatives. The CUL supports 22 faculty members who conduct pedagogical research and develop best practices in pedagogical approaches. The CUL also develops initiatives related to blended learning, digital exams, learning management systems, and course design.

BSS also makes teaching portfolios mandatory for every person applying for a faculty position. In addition, teachers at all levels at BSS—from student teachers and PhD candidates to assistant and full professors—must complete a certain number of hours of the CUL’s pedagogical training modules specific to their level of experience. Each year, these courses are attended by more than 130 student teachers, 35 doctoral students, 40 assistant professors, and 85 associate and full professors.

“A common professional language is developing among the lecturers at BSS relating to pedagogical choices and shared know-how on teaching,” Jensen says. The goal, he adds, is “to ensure the same professionalism around teaching that is considered self-evident around research.”

■ In 2013–2014, ESADE Business School in Barcelona, Spain, implemented the Global Integrative Module (GIM), an online capstone course. The school created the module with support from the GMAC Management Education for Tomorrow (MET) Fund and the partnership of NYU Stern in the United States, SDA Bocconi in Italy, and Sogang University in South Korea.

As part of the module, students from each partner school—who come from undergraduate, masters of science, and MBA programs—are assigned to diverse teams to solve a current social, political, and economic challenge. The challenge is organized to accommodate each school’s different academic calendar, administrative requirements, and grading system; the schools apply



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jointly designed rubrics for student assessment. Each team must coordinate across time zones using web-based collaboration tools, while integrating each student's knowledge of economics, management, and the social sciences.

In the module's first run, 74 students representing 24 nationalities were presented with the question, "Why should and how can companies contribute to the reduction of

economic inequality in the world?" The teams then analyzed the real-world behavior of a handful of multinational companies and wrote reports that recommended the measures companies could adopt to alleviate global poverty. As part of the project, the teams created video progress reports and final presentations; individuals produced reflection papers and peer and self assessments.

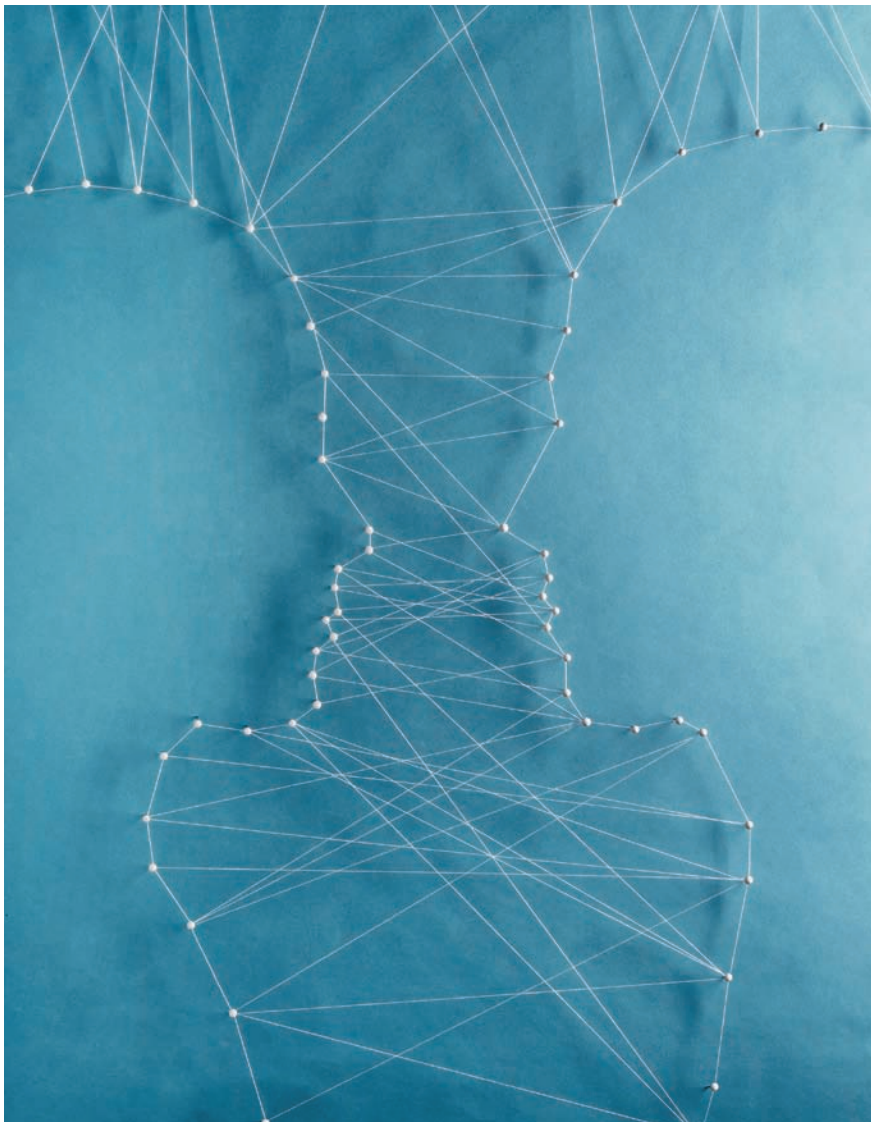
For the 2013–2014 challenge, teams recommended a range of solutions to global companies such as AT&T and GlaxoSmithKline. Their suggestions included creating more business models that incorporate the poor as employees, doing more to influence the regulatory and policy environments in the markets they serve, and adopting more transparent and accountable corporate social responsibility initiatives.

GIM offers students an opportunity to work outside the "comfort zone" of the classroom and immerse themselves in a problem that requires complex thought processes and personal interactions, says Anna Iñesta, director of educational innovation. When students work in such a globally distributed virtual space, it can cause inevitable tensions among team members. But that's ultimately the point, says Iñesta. "The obligation of having to deal with these tensions enriches the team's learning experience," she says.

To read about a similar virtual team project started at the University of North Carolina at Greensboro, read "Grassroots Innovation" on page 33.

Fresh Alternatives

Some of the innovations described in these pages are small; some are big. Some are extensions of traditional activities, and some are fresh approaches. But at a time when business schools are under pressure to offer alternatives to traditional education, meet new mission-based accreditation standards, and help organizations set off in untested directions, all are examples of how today's business schools are taking the opportunity to lead the way. 



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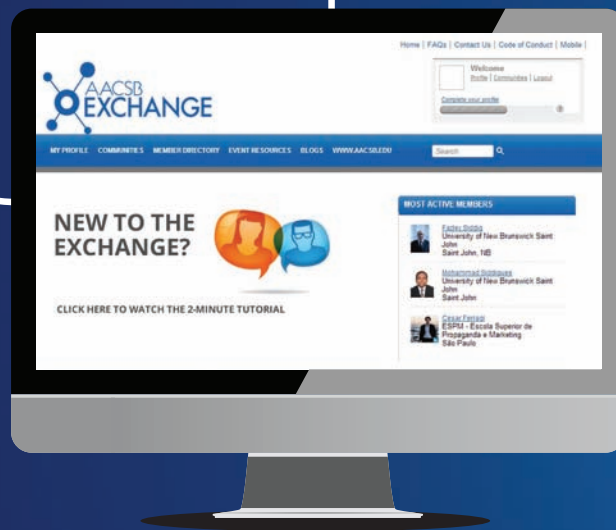


Join a community and utilize the member directory to connect with peers

START A DISCUSSION



Share your best practices and experiences



JOIN AN AFFINITY GROUP

Affinity groups provide an informal venue for schools to come together over common issues and benefit from the experience and know-how of peer institutions.

The opportunities for candid exchange and peer-to-peer support have provided many schools with the answers they are seeking and the best practices they need to move forward.

Julie Perrin-Halot
Associate Dean and
Director, Quality, Grenoble
Ecole de Management

AACSB Affinity Groups facilitate networking among members and are formed based on interests, shared job responsibilities, and geographic location. Groups meet face-to-face and engage in online networking and resource sharing opportunities via the AACSB Exchange. There are more than 15 affinity groups to choose from including:

- Associate Deans
- Asia Pacific
- European
- Entrepreneurship Program
- New Deans Learning Community
- Small Schools Network
- Women Administrators in Management Education
- MBA for Working Professionals
- Metropolitan Business Schools
- Technology in Business School Roundtable
- Principles for Responsible Management Education (PRME)

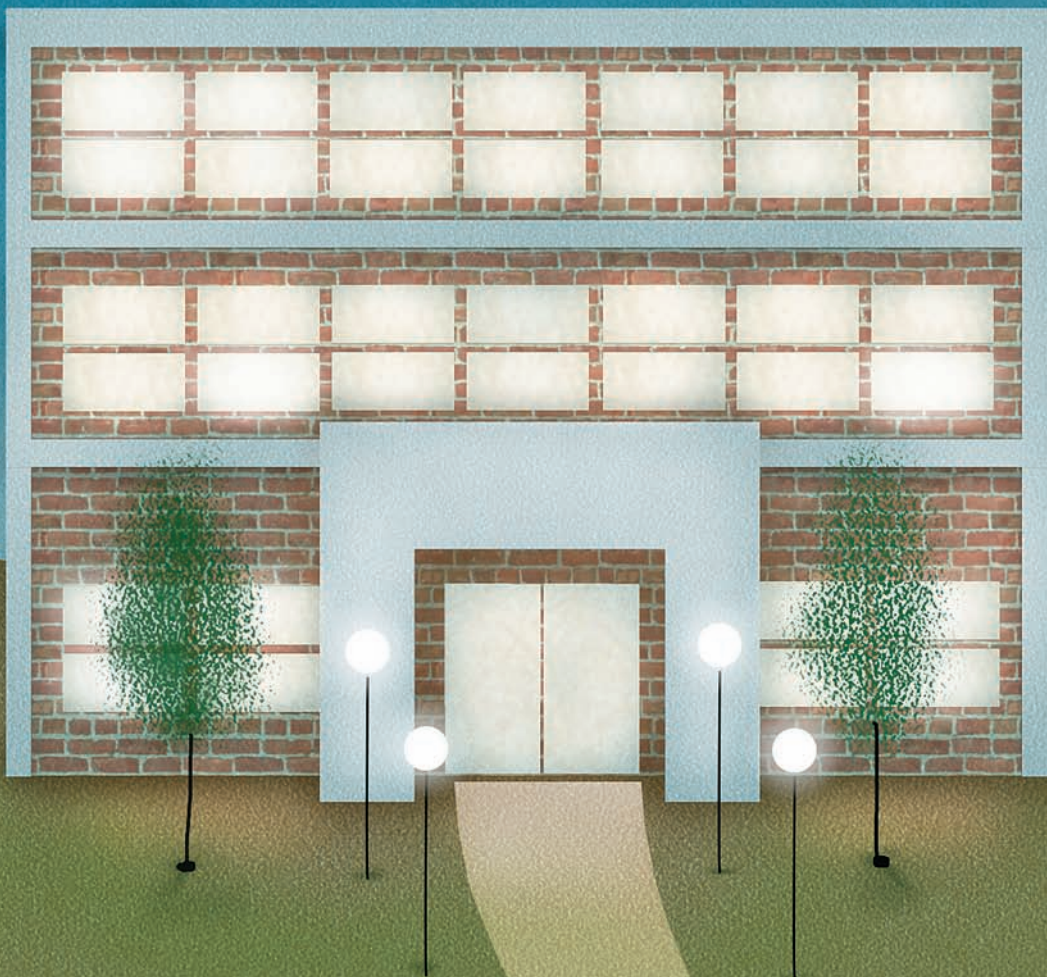
To join a group, email membership@aacsb.edu.

DIVERSIFYING

The B-School Model

The 21st-century business school will need to emphasize globalization, leadership, critical thinking, and change management. It also might need to revise how education is actually delivered.

BY HOWARD THOMAS, PETER LORANGE, AND JAGDISH SHETH



DAVE CUTLER

Is it time to reframe the value proposition of management education? Should business schools pay less attention to teaching narrow discipline specializations and spend more time developing holistic thinking skills that allow students to synthesize and integrate information? We think the answer is yes.

While there have been new approaches to business education since the 1950s, most of these have been modest, incremental changes that have kept business education firmly anchored in the economic and social sciences. However, rapid and sometimes unwelcome changes in the economic and competitive environments have ushered in new threats and opportunities, and schools must adapt to these realities.

In our 2013 book *The Business School in the 21st Century*, we detail promising innovations in business school curricula. These models emphasize globalization, leadership, integrative thinking, critical thinking, problem solving, and practical relevance, while helping students understand the underlying purpose of business. We want to explore a few of those models here—but first we want to examine the forces that have led to renewed calls for more radical approaches to business education.

The Current Environment

Four key factors have rewritten the context in which business schools operate today:

■ *Changes in the economy.*

Economic growth has shifted from the developed nations of the West to the emerging economies of the East and South. In developed nations, fewer students are enrolling in undergraduate and graduate programs, and even the relatively

stable executive education market seems to be in a recession. The business education industry is experiencing reduced demand, greater turbulence, and more market-driven cycles.

These new realities mean that speed and agility are essential for academic leaders. Schools must be quicker to adapt curricula and faculty to changing circumstances; they must be quicker to teach different topics, research fresh subjects, and identify updated competencies for their professors.

■ *Changes in our students.* Students at all levels are requesting more project-based learning, which requires a broader and more eclectic perspective. This means schools need to change their curricula, consolidate their academic departments, and put less emphasis on discipline-focused research. They will need to move from embedded academic traditions to multidimensional, multidisciplinary teaching and research, and they will need to do it quickly.

■ *Changes in the job market.*

Students are increasingly questioning how companies address issues of sustainability and community. They also are demanding more job-specific degrees, and schools are responding by developing specialized master's degrees in areas such as banking, marketing, human capital management, and data analytics. This is a trend recommended by the European Bologna Accord. Once students have earned their specialized degrees, they might be more interested in returning for general MBAs.

■ *Changes in funding.* The current traditional model of business education is expensive to maintain,

and sources of funding are drying up. At the same time, stakeholders are paying attention to not only where money is coming from, but also how it's being spent.

In many countries, the major portion of business school funding has traditionally come from the state, which perceives education as a public good. However, state officials are reluctant to provide funds to business schools during a time of economic stringency—and during a time when both big business and the financial sector are viewed as anathemas. Even traditional public funding sources are starting to require students to contribute to the cost of their educations, with the U.K. government leading the charge.

As state funding decreases, tuition inevitably rises across all student levels. For instance, in the U.S., more than 100 institutions charge more than \$50,000 a year for fees, room, and board for a four-year undergraduate degree. Tuition fees for the top 20 U.S. MBA programs are around \$100,000, and an EMBA can cost \$170,000.

Historically, students have judged the ROI on business tuition to be worthwhile, but increasing tuition might cause them to perceive that the costs outweigh the benefits. In the U.K., the country's high cost of undergraduate tuition appears to be depressing university applications.

How are business schools spending their diminishing incomes? Not surprisingly, a huge portion goes to paying full-time faculty, and a smaller amount to part-time faculty. But this reward system is under review. For instance, in the U.K., teaching-intensive universities require faculty to teach at least 250 hours per year at a cost of about

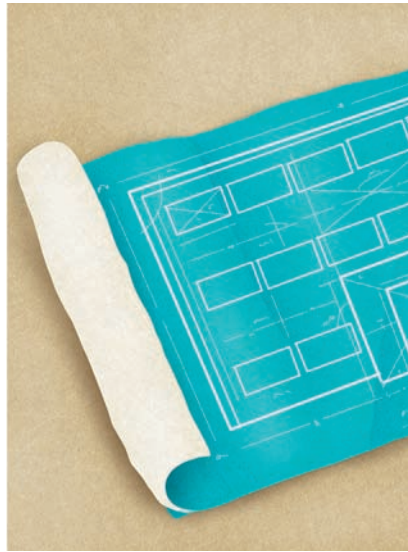
€300 per hour (about US\$407). At research-intensive universities, faculty often command higher salaries but teach fewer classes, so their hourly teaching cost approaches €2,000 (US\$2,700).

It's apparent that many institutions have a costly faculty model in which teaching-oriented professors are only in the classroom for about 30 percent of their time and research-oriented professors for about 10 percent of their time. That means that for 70 to 90 percent of their time, they're not generating tuition income for the school. But we believe there are ways schools could better utilize their faculty to improve the quality of the learning process and still allow faculty time to produce high-quality research.

For instance, schools could modestly increase teaching loads. They also could make greater use of technology by conveying core business knowledge through MOOCs or video lectures. Then professors can reserve class time for action-based experiential learning sessions that emphasize both theory and practice. In this way, a professor moves from being "a sage on a stage" to a learning facilitator.

While adjusting the cost expense of the equation, schools might also pay closer attention to the income side. For instance, they could consider adding blended programs to bring in new global customer segments, while maintaining a closer watch on their breakeven points.

Taken together, these four factors provide clear challenges to the traditional, expensive model of business education. Can schools meet these challenges while also maintaining high academic standards? Again, we think the answer is yes.



University in Montreal and now also holds its 16-month program at four other schools: Lancaster University in the U.K., the Indian Institute of Management in Bangalore, Renmin University in Beijing, and FGV/EBAPE in Rio de Janeiro. Designed for experienced managers, the IMPM is built around five interdisciplinary themes, or mindsets: managing self (the reflective mindset), managing relationships (the collaborative mindset), managing organizations (the analytic mindset), managing context (the worldly mindset), and managing change (the action mindset).

These five themes, which are

We believe that 21st-century management education needs to be broadened, if not reimaged.

New Models

We believe that 21st-century management education needs to be broadened, if not reimaged. Students must learn managerial skills such as problem framing, strategizing, and implementing change. Graduates also need to be able to synthesize, criticize, and think analytically, while working within a global environment. All these skills require holistic thinking, rather than specialization in a functional domain.

Various educational models already exist that provide interdisciplinary education and nontraditional learning environments. We consider eight of them particularly promising:

■ *The practice-centric model.*

The Mintzberg International Master's Program in Practicing Management (IMPM) originated at McGill

interspersed with modules on operational excellence and value creation, address the practice of managing in a holistic way. The IMPM program relies on interactive, active, and experiential learning; it also benefits from students' own managerial experience as it helps them develop cross-disciplinary perspectives on the process of managing. In addition, this program treats management as a practical act and stresses the links between education and practice.

■ *The balanced model.* The MBA offered by the Haas School of Business at the University of California in Berkeley balances theory with practice. The integrated and experiential curriculum is built on four elements that encourage students to question the status quo,

develop confidence without attitude, be students always, and move beyond themselves to consider long-term business interests.

The curriculum focuses on ten capabilities grouped into three clusters: *defining opportunities* by framing problems, recognizing opportunities, and experimenting; *making choices* by identifying revenue models, evaluating ideas, and detecting risks; and *building organizational capability* by influencing without authority, managing ambiguity and conflict, promoting team creativity, and relying on adaptive governance.

To make sure electives are integrated with core courses, students are required to choose one of nine experiential learning programs. Among them is Haas@Work, in which student teams evaluate problems and develop solutions for real businesses. While the curriculum is anchored in a research-based social science framework, it also focuses on developing ethical, practical, and integrative skills.

■ **The liberal arts model.** The undergraduate curriculum at Singapore Management University (SMU) incorporates a core curriculum inspired by the liberal arts. The goal is a blended learning model that delivers both management knowledge and a liberal arts education.

Among the courses is Technology and World Change, which uses the history of science to introduce students to technological and scientific modes of thinking. Classes in business, government, and ethics are linked to key disciplines and designed to help students achieve ethical maturity. Other courses—in topics such as analytic thought, creativity, communication, and leadership—encourage students to

develop broader forms of thinking.

■ **The design thinking model.** Like SMU, the Rotman School of Management at the University of Toronto offers a curriculum that incorporates liberal arts elements. Rotman's goal is to develop critical, creative, holistic thinkers who can make moral and ethical decisions. But the curriculum is really set apart by its electives, such as those developed by Rotman's Design Works, which teaches students to use iterative design principles in their quest to be innovative, action-focused, and open-minded.

In addition, the school aims to develop a "three-dimensional" MBA that is deep, broad, and dynamic. In the interests of going deep, Rotman requires students to take courses such as Foundations of Integrative Thinking, as well as a related practicum, at the outset of the program. These courses not only teach students the underlying logic of business models, they also demonstrate how diverse areas such as finance, operations, and management can be

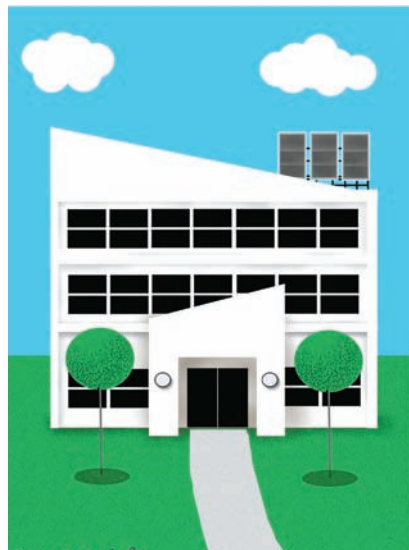
integrated to address real-life business problems. To embrace breadth, the school reinforces the idea that most business problems are messy, ambiguous, and complex. To keep the program dynamic, the school offers more than 90 electives.

■ **Multidisciplinary models.** Multidisciplinary programs have been pioneered in recent years at the Yale School of Management in New Haven, Connecticut, and at Stanford University's Graduate School of Business in California. While their programs differ, both use multidisciplinary approaches to help students develop skills in critical thinking, cultural intelligence, leadership, and ethics.

The Yale SOM has restructured its curriculum to break out of traditional silo teaching based on functional disciplines; instead, it offers courses built around the organizational perspectives of customers, competitors, investors, and society. The school also has added a problem-framing course to help students develop critical perspectives as they view management problems through various disciplinary and historical lenses.

Similarly, Stanford GSB's new multidisciplinary curriculum has four key elements: it's highly personalized, it's global, it offers a deep intellectual experience, and it emphasizes the development of leadership and communication skills.

For instance, courses offered in the first quarter build an integrated understanding of management by focusing on organizational behavior, strategic leadership, managerial finance, and the global context of management. During the same quarter, students are required to take a course on critical analytical



thinking. The overarching goal is to develop managers who think critically about important issues, make decisions responsibly, and develop strong, compassionate, moral values.

■ **The blended learning model.**

While early distance learning programs combined structured tutorials with face-to-face teaching, more recent versions also incorporate real-world experience. For instance, Open University in the U.K. retains faculty who produce and update core materials—but it also increasingly brings practice-based experiences into the classroom. Students share learning experiences and make a virtue of action learning. (Read more about the OU model in “Open Season,” which appeared on page 30 of the September/October 2012 issue of *BizEd*.)

OU isn't the only school that combines a strong IT platform with an investment in faculty resources. The same attitudes prevail at traditional schools with strong online presences, such as Indiana University and the University of North Carolina Chapel Hill in the U.S., University of Warwick and Henley Business School in the U.K., and Instituto de Empresa in Spain.

■ **The stakeholder model.** While many business schools still argue for stakeholder primacy, new educational options emphasize *all* stakeholders. For instance, the 50+20 Project: Management Education for the World aims to provide education and research that is relevant and applied, holistic and integrated, responsible and sustainable, and interdisciplinary and multileveled.

This partnership argues that, in the future, business schools should be judged on the skills and quality



of their graduates. The project's broad stakeholder vision stresses managerial relevance and embraces a collaborative form of socially responsible, democratic capitalism. Graduates master holistic decision making, which takes social and environmental factors into account, as well as entrepreneurship, leadership, and critical thinking.


■ **A radical model.** Different from all of these is the Lorange Institute of Business Zurich in Switzerland, which links the classroom, the real world, and the business disciplines in an unconventional pedagogical fashion. It has no departmental silos, minimal full-time faculty, and no academic tenure. Above all else, the Lorange Institute—founded by this article's co-author Peter Lorange—provides a forum for debating alternative business school designs.

The institute's primary offering is a flexible EMBA designed for working executives, who take between two and five years to complete the 13 two-day modules and five two-week modules. In a typical classroom, a teacher delivers a 20-minute lecture, which is followed by 20 minutes of small-group debate and a 20-minute plenary discussion in an “open-plan” design, which reinforces learning. The cross-disciplinary curriculum is taught by a

network of part-time visiting professors—most of them academics, but some of them leading practitioners from firms and consultancies.

The school also eschews the typical bureaucratic administration by outsourcing functions such as accounting, public relations, and IT. An open office structure encourages efficiency and interaction between occupants—for instance, Lorange works at a large table in the lobby area. Such a low degree of bureaucracy allows the school to maintain lower costs and to respond quickly to student needs. (More details about the Lorange Institute can be found in “A New Model for Management Education,” which appeared on page 38 of the January/February 2010 issue of *BizEd*.)

What's Next?

As these examples show, business schools of the future do not have to pattern themselves after elite U.S. institutions, which usually change slowly and incrementally. In fact, our hope is that, in the future, the global and competitive nature of management education will result in far more diversity in business school models. We also hope to see continued experimentation and innovation as business schools redefine themselves for the 21st century. 

.....
Howard Thomas is dean and LKCSB Chair in Strategic Management at the Lee Kong Chian School of Business at Singapore Management University. Peter Lorange is owner and president of the Lorange Institute of Business Zurich in Switzerland. Jagdish Sheth is the Charles H. Kellstadt Professor of Marketing at Emory University's Goizueta Business School in Atlanta, Georgia.

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The Ingredients of Innovation

USC Marshall's Gerry Tellis discovers what factors drive the efforts of the most innovative organizations.

WHETHER IT'S APPLE or Google, Amazon or Netflix, innovative companies establish practices that break the mold of traditional business models. But what drives these companies to be innovative, when so many others miss the mark?

That question is central to Gerry Tellis' scholarship. As the Jerry and Nancy Neely Chair in American Enterprise and professor of marketing at the University of Southern California's Marshall School of Business in Los Angeles, Tellis became interested in organizational innovation while he worked to identify the characteristics of successful, long-established firms.

"I found that market share, advertising, and order of market entry weren't the key factors of long-term success," says Tellis. He next discovered that successful companies define themselves as pioneers, but that being a pioneer itself doesn't safeguard a company against disaster. In fact, Tellis says, "most pioneers fail because they are so happy with the results of their first entry into the market, they don't innovate anymore." Tellis' research eventually led him to this conclusion: The biggest determinant of long-term success is relentless innovation.

In his 2013 book *Unrelenting Innovation: How to Create a Culture for Market Dominance*, Tellis discusses ill-fated companies such as HP, which introduced an e-reader in the mid-1990s, and Kodak, which developed the first digital camera in the mid-1970s. Instead of focusing on these inventions, HP and Kodak abandoned them because they refused to undermine their old models. "Their prior success caused a blindness to future innovation," says Tellis.

He calls this failure "the incumbent's curse," which arises when companies possess three unfortunate



Gerry Tellis

"The rise and fall of civilizations is due not to wars, leadership, or a change in environment, but to the adoption of formative innovation."

traits—they focus on the present rather than the future, they insist on protecting successful products from cannibalization by new products, and they possess a systemic aversion to risk.

According to Tellis' research, organizations that avoid these traps share three traits of their own. First, they establish incentives for innovation and reward new ideas—even if those ideas cannibalize other successful products. "These companies have strong rewards for success and weak penalties for failure," he says. "They encourage employees to take risks."

Second, they empower employees at all levels with the autonomy to experiment. By contrast, in many risk-averse companies, hierarchical structures require all decisions to come from the top. Too often, "only the mundane survives" in such cultures, says Tellis.

Finally, innovative companies encourage individuals within the firm to compete to produce new innovations and prototypes. "Google, Amazon, Samsung, and Apple are prototypical relentless innovators," says Tellis. "They don't just strive to innovate every year or every quarter—they're doing this on a daily basis."

For his next book, Tellis is exploring the role of innovation not just in organizations, but in entire civilizations. "I believe the rise and fall of civilizations is

due not to wars, leadership, or a change in environment,” he says. “While those things play a role, I’m arguing that the rise of a civilization is primarily due to the adoption of formative innovation.”

For instance, while today’s least-developed societies, such as Cuba and North Korea, are overseen by totalitarian governments, Tellis argues that it’s not totalitarianism that holds them back. It’s their leaders’ fear of innovation. Societies that flourish do so because they embrace radical innovations, from the printing press to mass manufacturing to mobile technologies.

Like most organizations, business schools face the rise of new competitors and nontraditional models in their

market. In response, says Tellis, business schools can succumb to the incumbent’s curse, or they can reward relentless innovation while embracing, and even encouraging, failure. From MOOCs to competency-based programs, new models do threaten traditional business education. But these are threats that are pushing all education providers into the next phase of education.

“I don’t think business schools or faculty need to be afraid of innovation. They need to be afraid of the lack of innovation,” Tellis

emphasizes. “Just like business leaders, faculty need to focus on the future. They need to be willing to cannibalize their successes and take risks. It’s tough medicine, but it’s medicine we all have to take.”



When Silence Isn't Golden

EMPLOYEES ARE often a manager’s first line of defense when it comes to identifying and addressing problems on the spot. But what if employees don’t speak up when they see something wrong? Too often, that leaves the entire company’s performance at a disadvantage, according to a recent study from Elizabeth Morrison and Kelly See of New York University’s Stern School of Business and Caitlin Pan of SIM University in Singapore.

The three researchers conducted a lab experiment, a survey of healthcare workers, and a survey of employees working in a range of industries. They found that the more employees feel powerless to influence others, the more likely they are to stay silent. Of course, their silence can lead to small problems magnifying over time.

The authors emphasize that supervisors can take steps to create an environment where employees feel their initiative will pay off. For instance, they can foster work environments that show that they are open to input and direct communication from their staff. That, in turn, will make it more likely that employees will approach them when problems first arise.

When employees remain silent even in the face of serious problems, the consequences can be disastrous, the authors write. They point to examples that range from the financial collapse of Enron and the crash of the Space Shuttle Columbia to the child sex abuse scandal at Penn State and the ignition switch failure at GM. The authors hope their study will help supervisors “understand why this occurs and how this tendency to withhold important information can be mitigated.”

“An Approach-Inhibition Model of Employee Silence: The Joint Effects of Personal Sense of Power and Target Openness” is forthcoming in *Personal Psychology*.





Words of War May Weaken Ethics

CEOS OFTEN MOTIVATE their employees by invoking war-related language, whether they talk about “killing the competition” or “going into battle.” According to a recent paper, the good news is that such violent rhetoric makes a CEO’s own employees less likely to have ethical lapses. The bad news? When employees at competing companies hear the battle cry, they are *more* likely to resort to unethical tactics in order to “win.”

In one experiment, the researchers showed study participants a motivational message from a CEO of a rival company. Half saw a message that read, in part, “I am declaring war on the competition in an effort to increase our market share. I want you to fight for every customer and do whatever it takes to win this battle.” The other half saw the same message, except “war” was changed to “all-out effort,” “fight” to “compete,” and “battle” to “competition.”

Participants in the first group would be more likely to post fake negative reviews about their competitor’s product. What’s more, most failed to view such behavior as unethical.

The researchers also created a different scenario, in which participants received a message from their own manager. Once again, half of the participants saw a message that used violent rhetoric; the other half, a message that used more neutral language. In this scenario, participants were reminded that their company’s

internal policy was to sell only to people whose credit scores were above 600. This time, subjects who received a message with violent rhetoric such as “making sales is a battle” and “put up a great fight” were motivated to follow internal control policies more closely, not less. This finding is “non-intuitive,” the authors write, which suggests that “violent rhetoric does indeed activate different ethical scripts, rather than simply priming aggressive behavior.”

The paper’s co-authors include David Wood, a professor of accounting at Brigham Young University in Provo, Utah; Josh Gubler, a professor of political science at BYU; and Nathan Kalmoe, an assistant professor of political science at Monmouth College in Illinois. “The world of business is replete with examples of violent metaphors,” the authors write, citing Steve Jobs’ promise to “destroy Android” and Nokia’s declaration of an “all-out war on the mobile industry.” It’s important for leaders “to understand how linguistic violence can dramatically shape ethical decision making processes.”

“Them’s fightin’ words: The effects of violent rhetoric on ethical decision making in business” is forthcoming in the *Journal of Business Ethics*.



Josh Gubler



David Wood

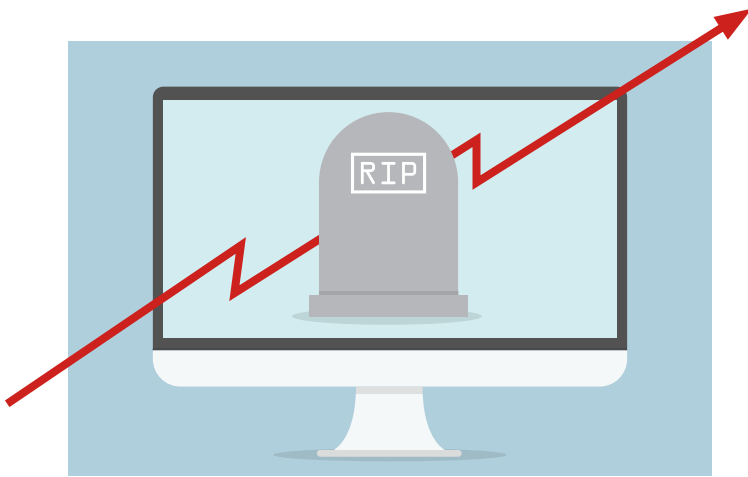
Getting from Shirk to Work

FACULTY PARTICIPATING IN X-Culture, a global virtual team project started by Vasyl Taras at the University of North Carolina at Greensboro (see “Grassroots Innovation” on page 33), are currently working on a study on the effect of “free-riders” who don’t pull their own weight on virtual teams. Although free-riding can be a problem on any team, it can be especially prevalent when team members have never met each other and have no sense of social obligation or reciprocity to each other.

A global team’s performance can plummet if just one of its members shirks his or her responsibilities, says

Taras. “It’s all about the perception of injustice,” he says. “If one person on a ten-member team doesn’t do his share of the work, logic says that the team’s performance should decrease by ten percent. But our data show that when one student on a team doesn’t participate, it leads to a disproportionately large loss in performance. If two stop participating, everyone stops working because they think, ‘Why should I work if those two aren’t working and we’re all getting the same grade?’”

Using data collected from X-Culture projects, faculty already have reduced nonparticipation among X-Culture



The Sudden-Death Link to CEO Pay

WITH SO MANY lamenting the stratospheric rise of executive compensation packages, two researchers think they have a way to indicate whether or not executives are worth the salaries they earn.

In a recent study, Bang Dang Nguyen at the University of Cambridge Judge Business School in the United Kingdom and Kasper Meisner Nielsen at the Hong Kong University of Science and Technology look at the unexpected deaths of 149 CEOs, presidents, chairmen, CFOs, COOs, and vice presidents between 1991 and 2008, each at publicly traded U.S. companies. The pair compare the reaction of the stock market for five days after the deaths with the market activity five days before.

The deaths of 63 of the executives—or 42 percent—actually triggered positive stock price reactions. The pair interprets this as an indication that these top executives received more than 100 percent of the value they created, leaving shareholders with none. For the majority of these executives—58 percent—the stock market reacted negatively to their deaths, indicating

that the market felt their loss because they had brought their companies enough value to justify their salaries.

Nguyen and Nielsen also note each deceased executive's "abnormal pay factor," which they define as actual compensation minus the expected compensation of the individual's replacement. They find that, on average, fairly compensated CEOs take home 65 cents—and other executives, 71 cents—of every dollar they created for shareholders.

Nguyen and Nielsen suggest their research is especially relevant to regulators who want to take steps to limit CEO compensation. If 58 percent of top executives are compensated fairly and are doing a good job for their stakeholders, says Nguyen, "enacting regulation that punishes all CEOs alike also punishes the company, the shareholders, the taxman, and ultimately the ordinary citizen."

Nguyen and Nielsen also note that companies should take great care in hiring not just their CEOs, but their entire executive team. All companies should have a number of competent executives who can take the lead in a worst-case scenario, so that shareholders are not at the mercy of one person's fate.

"What death can tell: Are executives paid for their contributions to firm value?" is forthcoming in *Management Science*.



Bang Dang Nguyen



Kasper Meisner Nielsen

students dramatically, from 30 percent to about 3.5 percent. By employing the following strategies, Taras believes other professors can achieve the same success:

Require weekly peer evaluations. When students can evaluate their team members, "it works like magic, because students can restore a sense of justice on the team if someone isn't doing his share of the work," says Taras.

Give the power to exclude. Students can vote on whether a free-rider can stay on the team. The possibility of being voted off the team gives everyone an incentive to contribute, says Taras.

Cultivate cultural intelligence. After testing how factors such as team size, cultural diversity, or age affect the level of free-riding, X-Culture faculty have found

that cultural intelligence plays the biggest role. Students who are culturally intelligent—who respect and can listen effectively to a diverse range of people—are much less likely to shirk their duties.

That's why many X-Culture faculty devote up to a week in their course schedules to activities that allow students to learn about their teammates' interests, families, and other personal information. "When people know each other, they have a sense of social obligation, which increases how much they respect each other and how much they'll commit to accomplishing a common goal," says Taras. "That extra time might seem unrelated to the project, but it makes a huge difference in the project's outcome."

Minorities Face Unexpected Hurdles

TWO RECENT STUDIES highlight the unexpected—and sometimes counterintuitive—obstacles facing women and ethnic minorities in business:

■ One paper confirms that minority entrepreneurs are treated differently than Caucasian entrepreneurs by U.S. lending institutions, even when other factors such as age, attractiveness, clothing, and experience are controlled. Its co-authors include Sterling Bone of Utah State University's Huntsman School of Business in Logan; Glenn Christensen of Brigham Young University's Marriott School of Management in Provo, Utah; and Jerome Williams of the Center of Urban Entrepreneurship & Economic Development at Rutgers University in New Brunswick, New Jersey.



Sterling Bone



Glenn Christensen



Jerome Williams

The researchers sent three black, three Hispanic, and three white small-business owners to banks in a culturally diverse U.S. metropolitan area to request the same information about loans. All knew basic business and banking terminology, and all were similar in age, body build, attractiveness, and education level. The researchers found that lenders asked black and Hispanic entrepreneurs to provide more information and offered them different levels of information than they did the white entrepreneurs.

In another experiment, a group of consumers were asked to apply for loans; each application was rejected. "In general, when minority consumers were rejected they saw it as a threat to their self-esteem," Bone says. "Caucasian entrepreneurs shook off the setback and often saw it as evidence of bad judgment on the part of those making the decision."

Although entrepreneurial success can be an "uphill battle," he adds, the hill is that much steeper for minorities.

"Rejected, Shackled, and Alone: The Impact of Systemic Restricted Choice on Minority Consumers' Construction of Self" appeared in the August 2014 issue of the *Journal of Consumer Research*.


■ Several studies have found that minority managers can be reluctant to hire and promote other minorities, supporting the belief that minorities who have "made it" view those in the pipeline as unwanted competition. But that conclusion fails to recognize the complex position minority managers find themselves in, say David R. Hekman, assistant professor of management and entrepreneurship; Maw Der Foo, associate professor of management and entrepreneurship; and doctoral student Wei Yang of the Leeds School of Business at the University of Colorado in Boulder.

Hekman, Foo, and Yang analyzed data and peer assessments involving 362 high-level executives registered in a course at a leadership training center.

Fourteen percent of the executives were nonwhite, and 31 percent were female. In peer assessments, white males seen as valuing diversity received high ratings for warmth and performance. But for women, the same trait correlated to lower ratings in those areas; for nonwhites, it negatively correlated to perceptions of competence.

In an experiment, the researchers divided 395 university students into four groups and asked them to view a set of presentations delivered by actors and actresses playing the part of an HR manager advocating for one of four job candidates—either a white male, a white female, a nonwhite male, or a nonwhite female. In each scenario, presenters noted that all were equally qualified, but that the organization wanted to advance diversity. When surveyed afterward, the students penalized the women and nonwhite managers who advocated for minority candidates, but not the white male managers.

Because white males seem immune to this penalization, they could be asked to play larger roles in promoting diversity, the authors suggest—this goes against common practice, in which organizations often choose women and nonwhites to direct diversity offices.

"Does valuing diversity result in worse performance ratings for minority and female leaders?" was presented at the Academy of Management's August annual meeting in Philadelphia, Pennsylvania. 

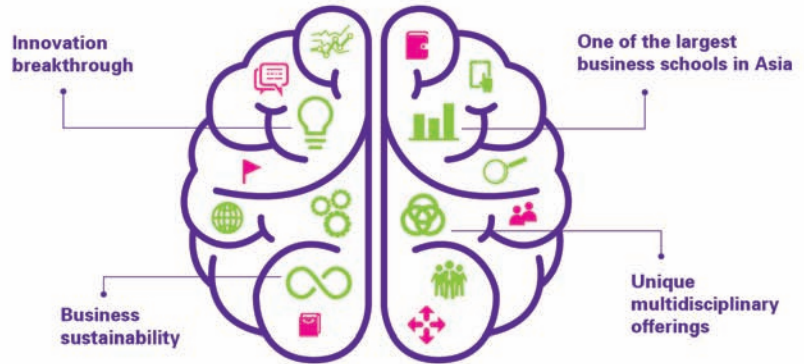


David R. Hekman



Maw Der Foo

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Will Competency-Based Models Revolutionize Higher Ed?

COLLEGES AND UNIVERSITIES are finally seeing the market recoil from year-after-year tuition hikes for four-year bachelor's programs. More employers are reporting that today's college graduates are under-skilled for the positions they have, which has left many college graduates out of work and deep in debt.

Online competency-based education may be the phenomenon that reverses this trend, according to *Hire Education: Mastery, Modularization, and the Workforce Revolution*, a new mini-book by Clayton M. Christensen of Harvard Business School and Michelle R. Weise, senior research fellow at the Clayton Christensen Institute in San Mateo, California. In fact, Christensen and Weise believe that online competency-based education—which awards students course credit for skills they already possess and allows them to advance through their programs at their own pace as they demonstrate content mastery—could revolutionize the workforce and disrupt traditional higher education institutions.

“Students are inevitably beginning to question the return on their higher education investments because

the costs of a college degree continue to rise and the gulf continues to widen between degree holders and the jobs available today,” the authors write.

At the same time, traditional institutions are reluctant to make the transition to shorter, more specialized learning experiences. But that reluctance could backfire, as the authors predict a growing need for targeted and affordable competency-based models that can be delivered to students independent of their educational background, income, or time zone.

“No other existing form of higher education shows such promise in making the cost of a high-quality education affordable to more people,” said Weise. “We see great disruptive potential in rigorous online competency-based models that offer flexibility, affordability, and faster completion times.”

In addition, employers and competency-based learning providers increasingly are collaborating to create these opportunities, she adds. If students emerge from these programs with the skills employers need, these employer-driven programs could override the importance of college rankings or even accreditation in the market.

The mini-book includes six chapters covering compelling topics such as disruptive innovation and academic inertia, the changing value proposition of a college education, the modularization of education through competency-based models, and the new learning formats becoming increasingly validated by employers. Its appendices describe innovative approaches at Western Governors University, UniversityNow's Patten University, and Southern New Hampshire University's College for America, as well as Northern Arizona University's personalized learning pathway and the University of Wisconsin's UW Flex program.

Hire Education is available at www.christenseninstitute.org/publications/hire. Follow or join the conversation about its findings on Twitter by using the hashtags #HireEd and #competencybased.





Startups and Tech Licenses on the Rise

STARTUP ACTIVITY AND new technology patenting and licensing in the U.S. were particularly robust in the 2013 fiscal year, according to the annual “Licensing Activity Survey” from the Association of University Technology Managers (AUTM).

Respondents to the survey, which included 202 U.S. academic and research institutions, reported 6,554 executed licenses and options and 719 new commercial products introduced last year, all up from FY2012. The

sales revenue from these activities totaled US\$22.8 billion. In addition, technology transfer activity at universities launched 818 new companies—16 percent more than in the previous year.

While this growth is encouraging, it happened at a time when federal research dollars remained relatively flat. The report emphasizes that reductions in federal research funding could hamper the future growth of academic technology commercialization.

“We need strong support for research funding agencies such as the National Institutes of Health and the National Science Foundation,” says Jane Muir, president of AUTM and director of the Florida Innovation Hub at the University of Florida in Gainesville. “And we need Congress to maintain the strength of the U.S. patent system by avoiding roadblocks to patent holders who need to enforce their patents against infringement.”

With federal dollars in question, many universities have turned to industry partnerships to support their tech commercialization efforts. In 2013, industry contributed \$4.5 billion to technology transfer activity, up 11 percent over 2012.

To view highlights or purchase the full report, visit www.autm.net/FY_2013_Licensing_Activity_Survey/13872.htm.

Schools Experiment with Virtual Tours

MANY COLLEGES AND universities are eager to recruit international students, but often prospective students are unable to travel to campus for a visit before applying. A number of colleges and universities have at least partially solved this problem by using YouVisit.com, a service that creates a virtual walking tour of college campuses and other destinations.

YouVisit.com virtual tours are currently offered through the company’s website, but YouVisit hopes to perfect the use of Oculus Rift, a headset for 3D gamers developed by virtual reality technology company Oculus VR. While wearing the headset, students will be able to virtually “step onto” a campus to walk around and experience it in three dimensions without having to schedule a trip.



A user demonstrates the use of an Oculus Rift headset to experience a 3D virtual campus tour.

Audencia Nantes School of Management in France recently purchased an Oculus Rift Development Kit so that it can begin experimenting with the technology by taking headsets to student recruitment fairs. The school also created an online YouVisit virtual campus tour as part of its fall recruitment.

U.S.-based YouVisit.com was founded in 2009 by Abi Mandelbaum, Endri Tolka, and Taher Baderkhan, 2003 graduates of

Brandeis University in Waltham, Massachusetts. All three came to the U.S. as international students—Mandelbaum from Colombia, Tolka from Albania, and Baderkhan from Jordan. The entrepreneurs’ goal is to help other international candidates experience campuses around the world before they send in their applications.

Learn more at www.youvisit.com.

Subscribing to Subscription-Based Courses

EDUCATIONAL PROVIDERS AT all levels are experimenting with new models for course delivery, and that's no different for the New York Institute of Finance (NYIF) in New York City. This year, the NYIF, which is part of the Financial Times group of companies, launched a subscription-based model of executive training. For a yearly fee, financial professionals can access in-person and online courses on an ongoing basis.

NYIF offers 630 online courses, grouped into more than 150 learning modules, which are taught by practitioners. Users can mix and match to create their own programs, or take the courses in pre-selected groupings designed for their job titles.

The NYIF has adopted a subscription model because of the finance sector's swiftly changing regulatory and legislative environment, says its CEO Lee Arthur. "For financial professionals, staying up to date is a job in itself. A subscription model is suited to that."

ExecSense, another Financial Times group service, has been subscription-based for several years. Aimed at high-level executives, ExecSense charges executives a fee of US\$1,000 a year, which gives them access to executive education, an online resource library, webcasts, and short-form education "alerts" that offer quick exposure to topics of interest. "This follows the idea that learning



is something executives must do every month, not just once or twice a year," says Arthur.

A subscription model also reflects an increasing demand for shorter learning experiences. The same demographic that could sit for three-day courses a few years ago is now looking for half-day sessions, says Arthur. "We're being asked for 'shorter and snappier,'" he adds. "These individuals are so busy, they want condensed, efficient learning experiences. We give them materials ahead of time and make the education as practical as possible, so that they can use what they learn the next day."

Educational delivery will continue to evolve as students demand formats that fit their changing needs, Arthur emphasizes. "We have to stay close to our customers if we are going to pick up on what they want and give them what they need," he says.

Read more about NYIF at www.nyif.com.

New Space for Startups

IN SEPTEMBER, THE University of Central Florida and its College of Business Administration opened a 5,000-square-foot facility in downtown Orlando for technology startups. Part of UCF's Office of Research and Commercialization, the facility was created in conjunction with UCF's Florida Interactive Entertainment Academy (FIEA). Housed at UCF's Center for Emerging Media, the FIEA Ventures facility will support the city's plan to launch a "Creative Village" in the downtown area.

UCF initially will open the facility to FIEA alumni, whose projects will vary from video games and simula-



tions to mobile and web-based technologies. Entrepreneurs will be chosen based on their applications, in

which they outline their concepts, technology and staffing needs, market analyses, and business plans. Those selected will be provided with offices, meeting space, and a 20-seat theater; access to faculty, staff, and mentors; and use of audio, motion capture, and film studios. They will be granted space in the facility for up to one year.

Starbucks Orders Up Education

IN JUNE, STARBUCKS announced its partnership with Arizona State University in Phoenix to provide tuition assistance for employees who pursue one of 40 bachelor's degrees in the ASU Online program. Called the Starbucks College Achievement Plan, the initiative spurred a flurry of media coverage about what it meant for the school's programs and whether other companies might replicate the model at other schools.

While Starbucks will provide some financial support to the partnership, the university will fund much of the program. Starbucks provided about \$US2.9 million to help ASU hire additional staff and invest in necessary infrastructure, of which ASU will repay close to \$1.3 million by June 2015. In addition, ASU will offer Starbucks employees tuition discounts.

Eligible for the program are part-time and full-time employees who work at any company-operated store under the Starbucks umbrella, which includes brands such as Teavana and Seattle's Best Coffee. Those taking courses at the freshmen and sophomore levels will receive no reimbursements from Starbucks, but will receive about \$6,500 in assistance from ASU as well as guidance in applying for federal aid. Those with prior college credits admitted as juniors and seniors will receive 58 percent tuition reimbursement from Starbucks, as well as tuition discounts from ASU and applicable federal aid. Employees who receive tuition reimbursement have no obligation to stay with the company post-graduation.

How will the partnership affect ASU's W.P. Carey School of Business? In a Star-



bucks survey of its workforce, about 70 percent of employees report an interest in studying business. That indicates a need for the Carey School to hire new faculty and expand its lineup of online courses, says Amy Hillman, dean of the Carey School. This fall, with Starbucks employees in mind, the school introduced an online bachelor of arts in business degree with a concentration in retail management.

The school also will introduce online versions of other undergraduate programs, including concentrations in global logistics, global leadership, and sustainability.

Employees must take 21 credits, which they can pay for with short-term loans, before receiving reimbursements. This requirement is designed to motivate students to commit to and complete the program, says ASU president Michael Crow. Students also will have access to coaches, counselors, networking opportunities, and adaptive learning services that allow them to progress at their own pace. Between reimbursements, discounts, and financial aid, students should graduate with no student loan debt.

To read more about the plan, visit www.starbucks.com/careers/college-plan.

NEWSBYTES


■ CAPELLA FLEXES

Online for-profit provider Capella University has added five specializations to its FlexPath competency-based direct-assessment degree delivery programs. These include human resource management and project management specializations in both its bachelor of science and MBA programs, as well as an industrial and organizational psychology specialization in its master of science in psychology program.

■ DATA AT TIPPIE

This fall, the Tippie College of Business at the University of Iowa in Iowa City began offering a new graduate-level certificate in business analytics. The part-time three-semester evening program includes courses in business analytics, database systems, advanced analytics, modeling with Visual Basic for Applications, and data science.

■ CUSTOM IT

Indiana University's Kelley School of Business in Bloomington has partnered with GE to create customized 15-credit graduate-level educational programs in information technology as part of the company's two-year Information Technology Leadership Program. The curriculum, delivered by faculty from both the Kelley School and the School of Informatics and Computing, will be delivered via a series of in-person and online courses. The first cohort will comprise about 150 GE professionals. 

your turn

By Sylvia Maxfield

Does Accreditation Spur Innovation?

AS COSTS FOR higher education skyrocket and enrollments in graduate-level business programs level off, business schools face an urgent need to remake themselves. They must consider not just devising alternative delivery formats, but also revamping cost structures, staffing systems, and other traditional aspects of the existing business model that make education almost unaffordable. In so doing, they could lead the way for change throughout higher education.

AACSB International recognizes how critical innovation is to business education; in fact, its 2013 accreditation standards explicitly promote innovation. Even so, AACSB accreditation still does not truly encourage business schools to innovate in response to the disruptions reshaping the industry. But I believe accreditation practices could be revised just enough to help lead the industry through necessary reform.

A Safe, Conservative Model

When it comes to innovation, I see two problems with today's accreditation process. The first one is that, despite its new focus, AACSB accreditation fosters emulation, not radical innovation.

Association members have a long history of learning from each other and absorbing the best practices of other schools. The accreditation process itself is a peer-review system whose lifeblood is sharing among institutions.

Granted, AACSB's new standards strongly promote differentiation among schools. The new category of "strategic management and innovation standards" demands that administrators make periodic, systemic reviews to re-evaluate their processes to ensure that they are allocating resources and achieving outcomes in ways that align with their missions.



Accreditation is about minimizing risk.
This is the opposite of innovation.

These reviews lead to continual tweaks and upgrades, but most changes occur in small, self-contained units. In fact, that's true all across higher education. For instance, the ExCollege is an experimental cross-disciplinary unit within Tufts University where students and faculty collaborate to expand the undergraduate curriculum in the arts, sciences, and engineering. Southern New Hampshire University's Innovation Lab is an educational incubator that aims to make education more affordable and accessible, especially for underrepresented students. Innovations often occur in separate units within the university so institutions can work around two powerful barriers: culture and governance.

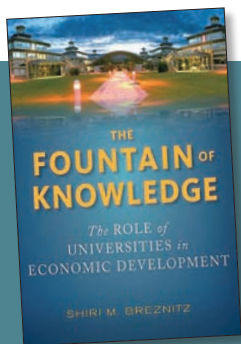
But higher education can't afford simply to make incremental changes in small subunits. Disruptions in our market will require us to reconfigure entire markets and value networks. Currently, accreditation is not poised to help us do that.

The second problem with accreditation is that it's inherently conservative. It exists, in part, to help consumers assess value in a market rife with information

asymmetry. Education is not a "search good"—that is, consumers can't judge the quality merely by looking at the product. Instead, it is what economists call a "credence good." Consumers have to trust that the college they choose will provide a quality educational service. Industries that sell credence goods can rely on their brands and reputations to win the trust of customers, or they can use accreditation to achieve the same end.

Accreditation is about minimizing the risk that providers selling poor-quality services will contaminate the consumers' view of high-quality providers. Accreditation is a "club good" that protects the status quo by ring-fencing a certain group of providers and boosting their brands relative to others. This conservative approach is the opposite of innovation.

bookshelf



THE FOUNTAIN OF KNOWLEDGE

AUTHOR: Shiri M. Breznitz

PUBLISHER: Stanford Business Books, US\$60

IN 1993, the biotech industry in New Haven, Connecticut, consisted of six companies; in 2013, there were 70. Most of those new companies spun out of Yale University, which in 1993 saw a changeover to leaders who promoted investments in technology transfer and local economic growth. Breznitz of the University of Toronto presents two case studies—one on Yale, and one on Cambridge University in the U.K.—to learn what role the university can play in the economic development of a region and what factors shape the university’s pursuit of that goal. “When we examine some of the most economically successful regions in the world...we find a university,” she notes. But she also raises one of the key questions in the perennial debate between rigor and relevance. “Should universities, which were created to support the unbounded world of ideas, focus on applied research?” She believes universities can choose to commercialize inventions in a way that benefits their regions—but warns that not all strategies will have positive outcomes.

THE SMALL BIG

AUTHORS: Steve J. Martin, Noah J.

Goldstein, and Robert B. Cialdini

PUBLISHER: Business Plus, US\$28

DOCTORS, HAIR STYLISTS, and restaurateurs lose billions of dollars every year from clients who miss appointments. Business owners can improve the odds of people showing up as scheduled by asking for verbal commitments, even if that just means having clients repeat the times and dates of their appointments, and by asking *clients* to write down the appointment details, rather than handing them completed cards. These simple strategies can have huge consequences, write the authors—Martin, a business columnist; Goldstein, a business and psychology professor at UCLA; and Cialdini, a psychology and marketing professor at Arizona State—because they encourage the use of “persuasion science” to influence people. “A small change in the set-



ting, framing, timing or context of *how information is conveyed* can dramatically alter *how it is received and acted upon*,” they write. Not only can “breathtakingly slight” changes in a message spawn enormous effects, they add, but these changes rarely “require large investments in time, effort, or money.”

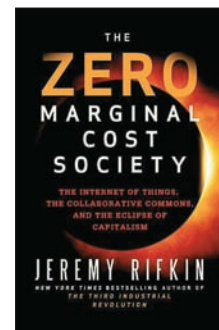
THE ZERO MARGINAL COST SOCIETY

AUTHOR: Jeremy Rifkin

PUBLISHER: Palgrave Macmillan, US\$28

IS THE CAPITALIST system almost obsolete? Thought leader and Wharton lecturer Rifkin thinks it will largely disappear by 2050. Continuous product upgrades and the swift peer-to-peer communication enabled by the Internet have driven production costs down to almost zero in fields like music and publishing, and virtually every other industry is being radically overhauled. On the rise is the Collaborative Commons, where networks of individuals share goods, food, and intellectual property—all at low or no cost—with the goal of improv-

ing the lives of everyone. Rifkin points out that “social commons” communities have existed from feudal times onward, and that today’s nonprofits and NGOs are part of the long tradition. He’s thrilled with the possibilities: “Markets are beginning to give way to networks, ownership is becoming less important than access, the pursuit of self-interest is being tempered by the pull of collaborative interests, and the traditional dream of rags to riches is being supplanted by a new dream of sustainable quality of life.” Stay tuned.



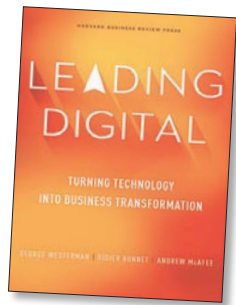
LEADING DIGITAL

AUTHORS: George Westerman, Didier Bonnet, and Andrew McAfee

PUBLISHER: Harvard Business Review Press, US\$30

STARBUCKS IS A Digital Master. It’s launched proprietary apps that

allow customers to find the nearest store and pay for purchases with mobile phones; it's also created a website where customers can post ideas for improving the company and other customers can vote the ideas up or down. The authors—Westerman and McAfee of MIT and Bonnet, a consultant—note that Digital Masters don't just adopt flashy new technology. They



deploy tech to improve the customer experience, upgrade processes, and gain competitive advantage. In fact, according to the authors, Digital Masters “are 26 percent more profitable than their average industry competitors.” And a company doesn't need to be Google or Apple to succeed in this arena. As the authors researched how technology is used “in the

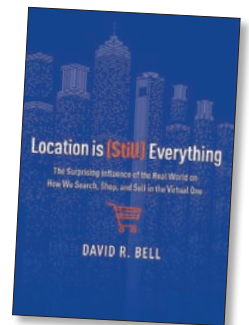
90-plus percent of the economy that doesn't do technology for a living,” they found that the main requirements for digital mastery are “time, tenacity, and leadership.” They provide role models who invested all three.

LOCATION IS (STILL) EVERYTHING

AUTHOR: David R. Bell

PUBLISHER: Houghton Mifflin Harcourt, US\$26

INTERNET SHOPPING has created a boundaryless market of buyers and sellers who can complete transactions from anywhere. Or has it? Bell, a Wharton professor, discovers surprising correlations in our physical lives and our virtual preferences. For instance, online retailers are likely to see concentrations of customers in certain markets as opposed to an equal smattering of buyers from across the globe. That's because people tend to cluster in neighborhoods where the other residents have preferences and income levels similar to their own, and they share information about online sellers just as they'd share information about local ones. Their physical locations influence their online buying patterns in other ways: For instance, they're less likely to buy items at a virtual store if those items are readily available nearby. Bell concludes, “The real world imposes gravitylike forces and other frictions on all of us as we search, shop, and sell.” **Z**



Don't Miss

LEADERS WHO ARE *Overworked and Overwhelmed* will improve their health and their professional lives by adopting mindfulness techniques, according to leadership coach Scott Eblin. He's a former high-powered executive himself, so he understands the siren call of work, but he makes a strong case for managers to identify and eliminate the stressors in their lives. Yes, he advocates meditation, breathing, and yoga, but he also offers interviews with dozens of leaders whose performance and productivity were boosted by such simple methods. It's a refreshing book that offers hope for positive change. (Wiley, US\$28)

LIFETIME EMPLOYMENT at a single company is a relic of the past; what works in today's fluid job market is *The Alliance* between employers and employees. Today's optimum model of employment is a “tour of duty,” say Reid Hoffman of LinkedIn and Ben Casnocha and Chris Yeh, both writers and entrepreneurs. “The manager can speak openly and honestly about the investment the company is willing to make in the employee and what it expects in return. The employee can speak openly and honestly about the type of growth he seeks...and what he will invest in the company in return for the effort.” This way, the authors argue, everybody gets and gives their best. (Harvard Business Review Press, US\$25)

RESILIENT LEADERSHIP demands gumption, guts, and determination, which all add up to *MOXIE*, according to leadership consultant John Baldoni. More specifically, *MOXIE* is built on mindfulness, opportunity, X-factors (individual strengths), innovation, and engagement. Baldoni illustrates his points with tales about leaders as diverse as South Africa's Nelson Mandela and Campbell Soup Company's Doug Conant. He also notes that opportunity can be viewed as the flip side of a setback: “Inherent in adversity is a willingness to look beyond the immediate problem to see possibilities over the horizon.” (Bibliomotion, US\$26.95)

classifieds

BizEd classifieds advertise administrator, faculty, and staff openings. Advertising rates are as follows:

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Questions? Contact Debbie Wiethorn at +1 813 769 6522 or debbie.wiethorn@aacsb.edu.

www.BizEdmagazine.com/advertise

Medaille College

Teach MBA Courses in China

Medaille College anticipates offering its MBA program to working adults in China beginning in 2015 and invites a letter of interest and current resume from qualified, experienced higher education business teachers as well as practitioner business managers and leaders interested in teaching courses on an adjunct basis in accounting, statistics, finance, economics, marketing, global business, management, and leadership through an accelerated weekend format.

These part-time, short-term instructional positions offer flexible opportunities to travel and teach with minimum disruption to work and family obligations.

Candidates should possess a minimum of a master's degree in an appropriate field of study and relevant teaching experience. Please submit materials to the Office of Human Resources, 18 Agassiz Circle, Buffalo, New York 14214.

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College of Business

The College is currently searching for candidates for the following full-time, tenure track positions:

- Associate or Full Professor, **Accounting: Department Chair/Faculty**
- Open Rank, **Accounting: Systems/Cost Accounting**
- Open Rank, **Accounting: Managerial/Non-Profit**
- Open Rank, **Accounting: Auditing/Financial**
- Associate or Full Professor, **Economics: Health Economics**
- Assistant or Associate Professor, **Finance: Financial Economics**
- Assistant Professor, **Decision Sciences: Operations, Statistics, related field**

Accounting Department CHAIR Position Open

The Department of Accounting invites applications for a **Department Chair** beginning Fall 2015. The successful candidate must have a Ph.D. degree and be academically qualified based on 2013 AACSB standards. Candidates should have an established record of teaching, research and service, as well as a strong record of effective administrative experience. Professional experience or certification is desirable. Candidates must demonstrate the skills necessary to communicate and engage with a diverse student body. The successful candidate possesses the collegiality and professionalism to interact with colleagues and the San Francisco business community. Candidates will be expected to engage in and promote service to the University and the community.

APPLICATION CLOSING DATE: Open until filled. Review of applications will begin immediately.

APPOINTMENT DATE: Fall Semester 2015

QUALIFICATIONS for Faculty Positions: Ph.D. in business with a specialization in the areas listed above or a closely-related discipline from an AACSB accredited school or equivalent (degree completed and earned prior to August 2015). A clearly demonstrated record of effective teaching and significant research promise in area of emphasis or closely-related area. Demonstrated success in teaching graduate and undergraduate courses, and published research is a plus.

The University is an Equal Opportunity employer with a strong commitment to diversity. We consider qualified applicants for employment without regard to race, color, religion, national origin, gender, gender identity/expression, sexual orientation, age, disability, genetic information, medical information, marital status, or veteran status.

A letter of application, curriculum vitae, three recent letters of recommendation, verification that the applicant has been or shortly will be awarded the appropriate terminal degree and any additional materials that support the application (teaching evaluations, samples of publications, etc.) may be sent to:

- **Accounting Candidates:** jchuang@sfsu.edu
- **Decision Sciences Candidates:** dssearch@sfsu.edu
- **Finance Candidates:** bandit@sfsu.edu
- **Economics Candidates,** please go to <http://cob6.sfsu.edu/economics> for specific information

Department and specialization must be in the email subject line (e.g. Accounting: Managerial/Non-Profit) for proper routing.

College of Business at San Francisco State University: <http://cob.sfsu.edu>

idea exchange

Community Spirit



The Idea

The Birmingham Business Project, in which undergraduates and high school students conduct research to drive community revitalization



Location

The University of Alabama Birmingham Collat School of Business



Big Problems, Big Projects

In 2011, students created a marketing plan for nearby Wilcox County, which suffers from high unemployment rates and poverty levels; the students recommended ways for Wilcox to boost tourism and promote its arts community.

Students continued to work in Wilcox in 2012, conducting a study to determine whether farmers in the region could grow moso bamboo, a quickly growing and highly commercial crop.

For the 2013 project, students conducted research on the civil rights movement's effect on Birmingham's business community. They studied issues from each decade since 1963, when four young girls died in the bombing of Birmingham's 16th Street Baptist Church. At summer's end, they attended an awards ceremony in that same church, and then displayed their projects at a reception at the Birmingham Civil Rights Institute.

This year, the students addressed issues related to education, housing, recreation, retail, crime prevention, and health in the 6th District, a collection of historical and architecturally significant neighborhoods

west of downtown Birmingham.



Analyze & Mentor

For the last four years, the Collat School of Business has paired six undergraduates with nine students from two local high schools for its summer Birmingham Business Project. The students work together to conduct research on ways to improve local socioeconomic conditions.

Part of Collat's Business Student Scholars Program, the Birmingham Business Project enables undergrads to apply business concepts in real-world settings and exposes high school students to business disciplines. As they delve into regional data, students meet with local leaders, from city council members to the school superintendent to the chief of police.

"The students are getting real-world experience as they develop plans for their community that can make a difference," says instructor Nathan Oliver, director of the program.



Shaping the Future

The Birmingham Business Project doesn't just develop students' business skills—it also clearly demonstrates to them their power to make an impact where they live, says Erik Jack, dean of the Collat School.

"UAB has deep roots in the Birmingham community, and we want to be an integral part of its future," Jack says. "This project helps students understand how their skills, knowledge, and abilities can help them change the community for the better."



POWER OF DIGITAL INNOVATION

Dr. MB Sarkar, Professor of Strategy and Innovation and Stauffer Research Fellow at the Fox School of Business led more than 70 of Fox's Executive MBA students from the U.S., Colombia, France, Singapore and Japan through the inaugural Global EMBA real-time workshop this past May.

This online experience was designed to facilitate cross-program discussions and team collaboration through virtual breakout rooms. The workshop was delivered as seamlessly as a face-to-face class despite spanning 13 time zones.

Fox EMBA is ranked:

- Top 20 nationally, 2013 *Financial Times* (#20)
- Top 25 nationally (#22) and Top 40 globally (#39), 2013 *The Economist* inaugural survey Executive MBA
- Top 10, 2013 *Modern Healthcare* Top Business Graduate Schools for physician-executives

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