



Applying the Business School Conceptual Framework: An Approach for Individual Business Schools

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Purpose

The diversity of business schools represented by the framework (see Appendix A) is a reflection of the many dimensions along which business schools make choices in their mission and strategy. This document is intended to facilitate a discussion of the school's context, its activities, and desired outcomes, as well as an analysis of those activities and outcomes against the school's context and mission.

Context

The starting point for defining any business school is its context—the structural, geographic, environmental, and regulatory settings in which it operates. Often, this context puts bounds on the mission of a business school and/or the activities in which it engages to fulfill that mission.

Sometimes business schools are part of a larger institution. In other cases, business schools are stand-alone higher education institutions (e.g., the French Grandes Ecoles, Indian School of Business, etc.). Although, even in these cases a school may exist as part of a “system” or “network.” For instance, a business school affiliated with or dependent on a larger institution/network often has a mission that is defined, at least in part, by its association with the larger unit (e.g., objectives and values rooted in a religious belief or a commitment to serve a particular stakeholder group). Affiliations with larger institutions may also bind business schools to particular policies or processes related to budgeting, fundraising, staffing, programming, recruitment, and admissions.

Also providing context for business schools are the communities in which a school, or its larger institution, operates. These communities create or give purpose to business schools, as institutions, to serve their interests. It is from these communities that business schools draw students, advisors, and financial resources. And, it is for these communities that business schools produce graduates and intellectual capital, as well as provide more direct value through service activities or external engagement.

The relevant communities—whether local, regional, global, or some combination in scope—are likely to be different across business schools. Additionally, the communities influencing the operations of a school and those that a school is trying to influence may not be the same. As a result, it is possible for business schools that appear to be serving the same community to have very different contexts and missions.

Factors influencing the missions of business schools include the geographic, demographic, governmental/regulatory, and cultural factors related to their relevant communities. For example, the geography of the region served by a business school may result in a high concentration of businesses within a particular industry (e.g., mining, fishing, agriculture, etc.). Some schools may be in regions easily accessible by (and appealing to) large and/or diverse populations, while others may be more isolated.

Similarly, the demographics of the region(s) served by a business schools often influence their strategies for student/faculty recruitment and program offerings. For example, many Australian schools recruit students from overseas due to national declines in the traditional student-age population. In this case, the choice of markets is a direct result of the demographics in a school's home region. The age demographics of a population also may be reflected in the types of programs offered. For example, executive education programs may be more appropriate in locations where there is a substantial population that is older and more educated.

Cultural factors include the beliefs, moral values, traditions, languages, and laws of schools' relevant communities. These factors may be reflected in the career aspirations of students and faculty; the content, structure, and delivery methods of learning experiences; and the needs and expectations of the business community. For instance, a school located in a region with a primarily Islamic population may be more likely to teach Islamic Finance than schools located elsewhere. Differences in traditional teaching and learning styles may mean that certain approaches to educational delivery may be more effective in some areas than in others. The values a community places on attaining different levels of higher education (business education, specifically), as well as on the range of other activities provided by business schools, (e.g., different types of academic research) are also influential.

Often, though decisions relevant to some of the previously mentioned contextual factors may be voluntary, a school's governmental or regulatory context will mandate certain activities or prevent others. For example, some U.S. schools are required to hold articulation agreements by which they must accept students transferring from community college. Schools in India are prevented from establishing campuses outside the country. Government-regulated admissions processes or policies relevant to program offerings, compensation, and hiring also may restrict or, at the very least, strongly influence the operations of a school.

Given the enormous influence of a school's context on its activities and strategy, it would be impossible to transplant a school from one context to another without requiring some change in its mission and/or operations, or without a resulting change in outcomes.

Too often, generally accepted metrics for comparing schools (e.g., admissions, graduate starting salaries, etc.) ignore how a school's context affects its activities and outcomes. Similarly, when a school's decisions are driven by a quest for success, as measured by these metrics, the ability to reach its full potential to create value for its relevant communities may be restricted.

The following section describes some of the ways in which schools can use the framework to ensure their choices enable them to be of value within their different contexts.

Activities and Outcomes

Three business school activities form the center of the framework: (1) the creation of learning experiences, (2) the generation of intellectual capital, and (3) external engagement¹. Business schools normally do all three, though their relative emphases on these activities can vary substantially according to each school's context and communities served. There may be dozens, if not hundreds, of dimensions along which schools' priorities and activities within these categories differ—even among schools with similar, relative emphases on the three main activities. Thus, in order to fully apply and understand the framework, each business school must identify (1) the specific activities in which it engages and the category (or categories) in which each activity falls; (2) the intended constituent group(s) for each activity; and (3) the intended outcomes on each relative constituent group. It is through this reflection that the basis for communicating the value added by individual business schools is formed.

¹ Through AACSB's annual Business School Questionnaire (BSQ), schools are asked to report their relative emphases on teaching, intellectual contributions, and service. The framework uses modified terms for these activities in order to be more inclusive of the breadth of activities in which business schools engage.

Schools are encouraged to think broadly about how they define the specific activities that fall into the various categories. The descriptions below offer some guidance regarding each activity.

Intellectual Capital Development

“Intellectual capital” development, as represented within the framework, incorporates a broader set of activities than are normally included when referring to research. For example, schools often work directly with businesses to develop intellectual capital that is specific to their organizational needs. The notion of intellectual capital generation also extends beyond what AACSB refers to as “intellectual contributions” within its accreditation standards by allowing outcomes to be intangible. Intellectual capital is embedded in the people and organizations engaged by business schools. It is created as a result of learning activities and direct involvement with organizations.

A major source of differentiation among business schools comes from choices regarding a school’s priorities for developing theory, advancing practice, and improving learning about business and management—all of which are sometimes called the scholarships of discovery, application, and teaching, respectively). While the categories themselves are too broad to be considered actual activities, a business school’s list of intellectual capital development activities should reflect its priorities among these three types of scholarship. For example, a school with an emphasis on learning and pedagogical research may place a priority on researching the role of technology in facilitating new approaches to effective learning experiences, or on the creation of new educational case studies relevant to a particular world region.

A school’s intellectual capital development activities also may be defined by the individuals or communities targeted. For example, some schools choose to focus on a particular model or mindset such as stakeholder responsibility or entrepreneurship, and some choose to focus on a vertical market such as biotechnology. Research centers often play an integral role in generating intellectual capital in specified areas of excellence, such as supply-chain management, financial innovation, and risk management.

Often, faculty are not the only contributors to a business school’s intellectual capital development. The arrows connecting intellectual capital with individuals and organizations are two-directional in order to reflect a school’s use of guest lecturers or guest researchers, organizational consulting, student research assistants, collaborative research with other organizations, and other means through which intellectual capital development is not merely a one-way process. For some schools, these interactions may be distinct activities with defined and expected outcomes.

Intellectual capital also may be developed for individuals within the school itself, as is the case when it is intended to develop the knowledge and expertise of faculty within the business school or to enhance the performance of the school itself along a particular dimension. For example, often schools will undertake focused research or analyses to support curriculum development, strategic decision-making, and modifications to other activities.

A consideration of the channels through which intellectual capital is shared with targeted individuals/organizations also may reveal some unique attributes of this dimension of activity. For example, while there may be many potential uses for the intellectual capital being generated, a school may choose to focus on a particular set of communication channels (e.g., classroom learning

experiences, student participation in research initiatives, informal interactions of faculty with other individuals, consulting activities, community outreach centers, newsletters, practitioner-oriented journals, academic journals, etc). The chosen channels may vary for each “intellectual capital” development activity.

Facilitation of Learning Experiences

By definition all business schools deliver learning experiences, but more than in any other activity category the choices in this dimension can create very different business schools. Schools must make choices about the level and types of degrees offered, program curricula, pedagogy, delivery modes, and more. Additionally, schools make choices about the types of students and organizations that they engage in the learning process. Expected outcomes might vary considerably as a consequence of these choices.

One major choice business schools must make is the range of degree program levels to offer—bachelors (undergraduate or first cycle), masters including generalist and specialist (second cycle), and doctoral levels. Within these levels, there are many potential degree titles and orientations. For example, at the undergraduate level, some countries place a much greater emphasis on incorporating a general education component into business degree requirements than do others. Master’s level business programs may or may not require students to have work experience prior to entering the program, and the level of expected work experience may vary substantially. Doctoral programs may have either a research or practice orientation, and also may vary in structure (e.g., the amount of coursework required and type of structured research supervision). Additionally, many business schools also offer non-degree education programs, among which the variety can be even greater. These non-degree “learning experiences” vary in length from single courses of a few hours to certificate programs involving numerous requirements over an extended timeframe.

Given the wide variation of learning experiences offered and the inability of degree titles to capture this diversity, it is important that in applying the framework schools define learning experiences with specific attention to the constituent groups being targeted/served, as well as to the nature of the learning experiences and to the outcomes intended.

The nature of educational programs is especially influenced by the characteristics of the student populations served by the school. Students’ previous academic and professional experiences, cultural backgrounds, and capacity to achieve all have important implications for the nature of the educational experiences provided. Educational experiences may target individuals who are full-time students, part-time students/practitioners, or full-time practitioners. Programs may target managers in early, mid, or late career (executive) stages. Some students may be interested in starting their careers, while others may be transitioning to new career opportunities or seeking to advance within their organizations. Finally, some programs may be designed with an orientation toward a specific profession (e.g., accounting) or industry (e.g., health care).

Sometimes, business schools customize learning experiences to serve organizations. In such cases the structure and dynamics of the industry, strategic direction of the organization, and specific human capital development needs shape the nature of educational experiences created by a school.

To complement choices about their students and mission, schools also determine appropriate delivery methods. These may include online, live classes, pre-recorded classes, and real-time

discussions/interactions. For example, to expand access to underserved areas, a school may build a branch campus or introduce an online program. Many schools have found comfortable ground in hybrid delivery methods—combining technology-enabled learning with residential learning—to more effectively engage working professionals in learning.

External Engagement

Once schools define their relevant communities and areas of strength and/or differentiation, they may define portfolios of other activities designed to positively impact relevant constituent groups. Often these external engagements also support a business school's delivery of learning experiences and generation of intellectual capital. For example, teams of students may conduct strategic assessments or develop marketing plans for organizations—ranging from large global enterprises to local non-profits. Other times, external engagement takes the form of research, such as when schools produce indices of business activities, consumer confidence, and economic indicators. Still, other activities are designed specifically to impact economic development, such as small business development centers or international trade centers.

Many business schools play a role in the formation of university-led start-ups, helping to bring innovations from other colleges within the university to market by providing management expertise or assistance in securing venture capital. They also may play a role in encouraging organization formations through entrepreneurship programs and business competitions.

External engagement also may take the form of service to academic communities (e.g. discipline-specific associations, higher education/management education special interest groups, etc.). Such forms of engagement are critical to the sustainability of academic capacity.

Community outreach also can bring important benefits to the institution and a business school. Sometimes, these activities create channels for initiating relationships with executives that serve on boards and advisory councils. Other times, these activities lead to additional investments by governments, companies, and individual business leaders.

Combinations of Activities and Inter-Disciplinary Activities

It also is important that schools determine how activities align with and support each other. For example, for some business schools the activities that engage the community also are designed to provide learning experiences for students and research opportunities for faculty. The creation of intellectual capital is viewed by some as essential to teaching. This point is reflected within the framework by the vertical arrows that connect the three activities within the business school setting. Thus, though an activity such as the delivery of learning experiences may be a school's main priority, it may depend heavily on the school's investments in the creation of intellectual capital or outreach to the local community.

Additionally, a business school's priorities also should be complementary to those of the other organizations with which the school shares a common purpose. This is true for collaborative efforts with a business/management focus, as well as those with interdisciplinary focuses. For example, a business school and engineering school with a primary emphasis on intellectual capital creation may find themselves well-positioned to partner on inter-disciplinary research initiatives. Alternately, a business school with a relatively low emphasis on intellectual capital creation may seek to partner with another

business school that has a lower emphasis on the delivery of learning experiences, therefore allowing each institution to capitalize on the strengths of the other.

Outcomes Measurement and Analysis

Any initiative undertaken by a business school requires an investment of financial and/or human capital and therefore should have a measurable value proposition. Given the numerous dimensions along which business schools' intellectual capital development, learning experiences, and external engagement can differ, it is difficult to define one intended outcome that is both measurable and comparable across all schools. Rather, the intended outcomes of each school's activities should be closely correlated with both the nature of the activity itself and the relevant constituent group(s) served.

By stating the intended outcomes of each activity and defining a metric for determining if the outcomes have been achieved, schools not only ensure that every activity has a value proposition, but also ensure that (1) the value proposition supports the priorities of the school given its context and relevant communities, and (2) the intended value is ultimately being delivered. These questions are explored in more detail below.

- 1) Do the activities and their intended outcomes support the priorities of the school given its context and relevant communities?

The answer to this question is found in assessing a school's range of activities, relevant constituent groups, and intended outcomes. As a school looks at the big picture conveyed by its own application of the framework, it should answer questions such as the following:

- Are there categories or dimensions of categories (e.g., intellectual capital development with/for organizations) in which the school does not currently engage, but has an opportunity to do so? Are there categories in which there are opportunities for the school to engage in additional activities? Are there relevant constituent groups that are being underserved?
- Which activities identified within the framework are connected? Do these connections support the achievement of the expected outcomes for each activity? Are there opportunities for more connections and synergy?
- Are there activities that are extraneous, in that they do not match well with a school's context and relevant communities?
- Overall, do the activities represent a school's stated priorities?

- 2) Are the intended outcomes being achieved?

The answer to this question is found in a school's assessment of each activity's intended outcome according to the identified metric(s). As a part of this assessment, schools might answer questions such as the following:

- Does the identified metric allow for clear determination of whether or not the intended outcome is being achieved? What modifications to the metric can enhance the accuracy of this determination?

- What are the aggregated outcomes on each of the constituent groups? Are these outcomes being communicated to those and other relevant groups?
- Are a business school's internal evaluations (e.g., promotion and tenure) and internal professional development activities directly correlated to the achievement of all of the intended outcomes?

Many schools already engage in some form of ongoing analysis of their activities as a dimension of their strategic planning. Still, the depth with which schools undertake this analysis varies tremendously. Some schools may evaluate their activities against their context and relevant communities, but not formally measure the achievement of intended outcomes. Others may already be measuring outcomes of some activities but find considerable opportunity to communicate those outcomes and draw deserved attention to under-recognized achievements.

Regardless of a school's starting point, this framework is intended to be a reference for business school leaders engaged in a strategic assessment of their activities, an analysis of the constituents served, and an evaluation of their desired outcomes. It is designed to enhance decision making and enable schools to more clearly articulate the value they create along different dimensions. Finally, the framework is intended to raise awareness and understanding of the rich diversity of business schools and their missions, as well as the importance of that diversity in the world's communities.

Appendix A:

A Business School Conceptual Framework

