

BizEd

November/December 2011



YEARS

WHAT'S PAST.
WHAT'S NOW.
WHAT'S NEXT.

contents

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Features

- 22 TEN ON TEN**
Ten longtime deans gaze back on the last decade of management education—and forward to the next one—as they discuss how business schools have changed, might change, and should change in the 21st century.
- 44 TESTS OF TIME**
A sampling of some of the programs and initiatives that were launched a decade ago—what worked, what didn't, and what these schools are planning for the future.
- 52 THEN AND NOW**
A “by the numbers” look at the way business schools have evolved over the past ten years. Globalization is the major trend, but schools are also altering their offerings in subtle ways.
- 58 BIG QUESTIONS**
AACSB's John Fernandes outlines the challenges facing business schools in the next ten years—from finding the best faculty to designing the right alliances—and offers potential solutions.



74

Departments

- | | | |
|--------------------|---------------|------------------|
| 6 FROM THE EDITORS | 66 RESEARCH | 84 CLASSIFIEDS |
| 8 CALENDAR | 74 TECHNOLOGY | 88 IDEA EXCHANGE |
| 10 HEADLINES | 82 BOOKSHELF | |

Ten Years—No Robots



RAQUITA HENDERSON

Ten years as a print publication is something to be proud of. But when I recently read an article in *The New York Times*, suddenly *BizEd*'s tenth anniversary seemed even more remarkable—because we've done it all without robots.

Well, not robots, exactly, but close. The *NYT* article profiled Narrative Science, a company that has developed artificial intelligence that can “write” summaries of anything from a football game to the release of a financial report. Its software produces articles good enough for newspapers to print, at less than US\$10 per 500 words. Many media outlets find that price too good to pass up. Today, the software can produce only simple summaries. But a company founder told the *NYT* that in five years, he expected “computer journalism” to produce an article good enough to win a Pulitzer Prize. Given the rate of technological advancement, his prediction might not be far off.

But then I look at how *BizEd* has developed over the past ten years. We've talked with hundreds of educators and executives about challenges they've faced as they designed courses and led companies. We've shared their stories and hard-earned advice in our pages, so that readers can consider their ideas for their own schools. It's hard to believe that a “computer journalist” could do that.

Articles in this issue reflect on trends we've covered over the last ten years of business education. In “Ten on Ten,” ten deans who have been leading business schools for ten years or more contribute their insights on issues shaping this industry. “Then and Now” offers a statistical perspective of the decade, while “Tests of Time” checks in with schools celebrating their own milestones. Finally, AACSB International's CEO John Fernandes discusses the “Big Questions” that the industry must face—and answer—in the years to come.

When the late Anne Graham, the original executive editor of *BizEd*, hired Sharon Shinn and me to be its co-editors, the magazine did not yet have a name or following. But it had Anne's vision—she wanted this publication to be a source of information and a forum of ideas for business educators. We've worked to live up to that vision ever since. We celebrate *BizEd*'s first ten years, as well as the accomplishments of the business schools featured in its pages.

We are excited to see—and be a part of—the future of this industry. We know there *will* be robots. They just won't be writing *BizEd*. **Z**

Julia Bisson



ARTBOX/GLOW IMAGES

During *BizEd*'s first year of publication, we featured the insights of educators, CEOs, and thought leaders. Throughout this issue, we've included some of the more prophetic or profound comments they made about business education ten years ago.

WORDS
OF WISDOM



SOMIOS/GLOW IMAGES

B-School Guarantees

AS COMPETITION among business schools grows increasingly fierce, a number of leading institutions have started to offer ironclad guarantees to their graduates: The Haas School at UC Berkeley and The Wharton School of the University of Pennsylvania, for instance, now extend to alums the opportunity for free, life-time education. Harvard Business School guarantees b-school admission to the undergraduates who participate in its 2+2 program, aimed at high-achieving juniors who want to work for two years between graduating and attending business classes.

Now two business schools in the U.K. are upping the ante by guaranteeing their graduates jobs.

■ Henley Business School at the University of Reading is promising students jobs through a new initiative it has launched with PwC and the Institute of Chartered Accountants in England and Wales (ICAEW). Students who enroll in the four-year bachelor's-level accounting and business program will work with PwC's assurance team on client projects during three paid internships in the last three years of the program.

Not only will they be honing their work skills during this time, they will be simultaneously studying for the Associate Chartered Accountant (ACA) certification, the professional qualification of the ICAEW. They should obtain the degree and the certification in five years, instead of the traditional six, and if they successfully pass their exams and perform well in work placements, they are guaranteed jobs with PwC after graduation.

Richard Irwin, head of student recruitment for PwC, says, "We have long believed that employer-led degrees have a critical role in building the skills of students who know what they want out of a career."

Henley will offer 40 places every year, with the first group of students due to start in September 2012.

■ The London School of Business and Finance also is promising each student in its new undergraduate program a full-time position within six months of graduation. While the LSBF's Trium program has not been launched with a specific business collaborator, the school is working in concert with various institutions. Trium's bachelor of arts degree will be validated by one of the school's partner universities, the University of Central Lancashire in the U.K. or the Grenoble Graduate School of Business in France.

More important, Trium students will complete between 35 percent and 50 percent of the coursework and exams needed to achieve professional certification from the Chartered Institute of Marketing (CIM), the Association of Chartered Certified

Two business schools in the U.K. are guaranteeing their graduates jobs.

Accountants (ACCA), or the Chartered Institute of Management Accountants (CIMA). Students also will participate in a graduate development program to hone their interpersonal and professional skills.

To qualify for the job guarantee, Trium students must achieve a minimum 2:2 classification degree (roughly a B average). It is expected that students will complete their studies within five years.

Says James Kirkbride, vice rector for the school, "Our Trium program will give students an academic qualification, a pathway to a professional qualification, and the practical skills to ready them for the workplace. In the unlikely event that they are not successful in their job searches, they will receive a £2,500 partial refund on their fees."

While no particular role, salary, employer, or location is guaranteed, Kirkbride notes, the school's Corporate Careers team helps secure students jobs they truly *want*. The team "advertises internally to students, short-lists candidates, and carries out preliminary interviews and psychometric testing so students have the best possible opportunity to start their careers."

Business Schools Improve Sustainability

THE NUMBER OF business schools teaching MBA students to examine the social, environmental, and ethical impacts of business decisions continues to grow, spurred by the global economic downturn, rising student demand, and increased faculty willingness to explore those issues. Those are conclusions drawn from the Aspen Institute's most recent edition of "Beyond Grey Pinstripes," its biennial survey and alternative ranking of business schools, which was released in late September.

The survey indicates that there has been a striking increase in content on social, ethical, and environmental issues in required courses such as finance (a 38 percent increase in the number of relevant core courses); marketing (41 percent); accounting (22 percent); operations (57 percent); and IT /MIS (22 percent). There also has been an increase in the percentage of schools requiring students to take a course *dedicated* to business and society issues. In 2001, that figure was 34 percent; in 2011, it's 79 percent. Social entrepreneurship courses are also gaining far more prominence across MBA programs. Between 2007 and 2011, there was a 60 percent increase in the number of these courses being offered internationally.



According to the survey's ranking system, this year's top ten schools are Stanford Graduate School of Business in California; York University's Schulich School of Business in Toronto, Ontario; IE University in Madrid, Spain; Notre Dame's Mendoza College of Business in Indiana; Yale School of Management in New Haven, Connecticut; Northwestern University's Kellogg School of Management in Evanston, Illinois; the University of Michigan's Ross School of Business in Ann Arbor; Cornell University's Johnson Graduate School of Management in Ithaca, New York; the Kenan-Flagler Business School at the University of North Carolina in Chapel Hill; and the Haas School of Business at the University of California in Berkeley.

GMAC Charts Application Trends

APPLICATIONS TO full-time graduate-level business programs are generally dropping, but there are bright spots among specialized programs, according to the 2011 Application Trends Survey produced by the Graduate Management Admission Council.

Among schools participating in the survey, roughly two-thirds (67 percent) of full-time two-year MBA programs reported declines in applications from the previous year. This downward trend began in 2009. Similarly, 57 percent of one-year full-time MBA programs also received fewer applications than last year. The trend was less pronounced in the U.S. (where 49 percent of programs

reported declines) than the rest of the world (62 percent).

At the same time, specialized master's programs reported increases in applications. Eighty-three percent of master's of finance programs saw increases, as well as 69 percent of master's programs in management and 51 percent of accounting programs. As another positive sign, all types of programs reported that the quality of applicants and their academic credentials were higher in 2011 than in 2010.

More information, and a link to the full report, can be found at www.gmac.com/gmac/researchandtrends/surveyreports/applicationtrendssurvey/.

THE GMAT® REPORT



European Universities Look Forward

THE EUROPEAN University Association (EUA) has published a political declaration summarizing its recent annual conference, which was held at Denmark's Aarhus University and focused on the role of universities in developing talent in Europe. The declaration underscores how important it is for the EU to invest in universities so they can contribute to the EU's "smart, sustainable, and inclusive growth" goals through education, research, and innovation. "Every Euro spent at the European level on universities will add value by bringing people together, pooling knowledge, and creating synergies that could not be achieved at the national level alone," the document notes.

For more information, visit www.eua.be.

Honors for BizEd

BizEd magazine took home three awards in the 2011 Charlie Awards competition sponsored by the Florida Magazine Association. Co-editor Sharon Shinn won a Charlie, equivalent to a gold award, for best editorial for "When the Light Bulb Goes On," which appeared in the September/October 2010 issue. Co-editor Tricia Bisoux won a silver award in the same category for "Don't Tweet for Me, North Korea," published in November/December 2010. Shinn also won a silver award for best feature for "The Holistic Leader," which appeared in the May/June 2010 issue. All awards were in the association division of the competition, which honors excellence among Florida-based publications.

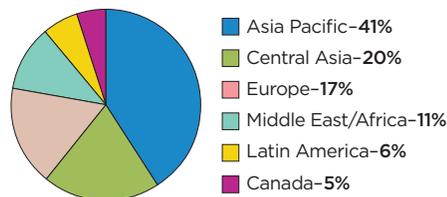


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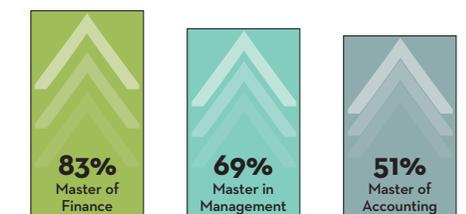
The number of GMAT exams taken by non-US citizens (141,616) has surpassed those taken by US citizens for the third consecutive year.



Source: 258,192 exams taken in testing year ending June 30, 2011.

Meet Demand for Specialized Programs

A majority of master-level programs reported an increase in applications in 2011. Percentage of programs seeing growth:



Source: GMAC 2011 Application Trends Survey change in volume from 2010.

Learn more about the competitive advantage that GMAC market intelligence offers your school at gmac.com/gmatreport.

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GMAC
GRADUATE MANAGEMENT
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SHORT TAKES

NEW APPOINTMENTS

■ **Roy (“Chip”) Wiggins** has been named the new Dean of Business and the McCallum Graduate School at Bentley University in Waltham, Massachusetts. Wiggins most recently served as chair of Bentley’s finance department and director of the Bentley Microfinance Initiative. He succeeds Michael J. Page, who was appointed university provost earlier this year.

■ **Stafford Johnson** has been named the interim dean for the Williams College of Business at Xavier University in Cincinnati, Ohio. Johnson, a professor of finance, began his tenure on July 1. He replaces Ali Malekzadeh, who has become the Edgerley Family Dean of Business Administration at Kansas State University in Manhattan.

■ Next July, **James A. Goodrich** will take office as the new dean of the College of Business and Economics at California State University in Los Angeles. Goodrich was previously dean and vice president at Alliant University in San Diego, California. He also has served as dean at the Atkinson Graduate School of Management at Willamette University in Salem, Oregon.

■ **Audencia Group**, the France-based higher education establishment formed by Audencia Nantes School of Management, the Ecole Atlantique de Commerce, and SciencesCom, has announced a reorganization for the 2011–2012 academic year, which has resulted in a number of new academic posts. The role of dean for the group will be filled by Frank Vidal, currently dean of Audencia Nantes School of Management. Jean Charroin becomes director of Audencia Nantes; he also will share vice-dean responsibilities with Christophe Germain. Valérie Claude-Gaudillat now becomes director of SciencesCom, and André Sobczak becomes research director for the Audencia Group.

■ In August, **Eugene W. Anderson** became the new dean of the University of Miami’s School of Business Administration in Florida. He was previously senior associate dean for academic affairs at the University of Michigan’s Ross School of Business in Ann Arbor.

■ Earlier this year, **Craig M. Lewis** was chosen by the U.S. Securities and Exchange Commission to serve as its new chief economist and Director of the Division of

Risk, Strategy, and Financial Innovation (RiskFin). Lewis is the Madison S. Wigginton Professor of Finance at Vanderbilt University’s Owen Graduate School of Management in Nashville, Tennessee.



■ Cal State Fullerton’s Mihaylo College of Business and Economics has named **Stephen P. D’Arcy** the first holder of the Robitaille Chair in Risk and Insurance. D’Arcy has served for 37 years as professor of finance at the University of Illinois at Urbana-Champaign.

■ Mays Business School at Texas A&M University in College Station has announced two appointments: **Kondoru (Shiva) Sivaramakrishnan** has been named the inaugural holder of the Peggy Pitman Mays Eminent Scholar Chair, and **Bradley R. Kirkman** has been named the Foreman R. & Ruby Bennett Chair in Business.

NEW PROGRAMS



■ **George Mason University’s** School of Management in Fairfax, Virginia, is launching a master of science in management of

secure information systems this spring. The 14-month multidisciplinary program will draw on the expertise of faculty members within the School of Management, School of Public Policy, and School of Engineering.

■ The W.P. Carey School of Business at **Arizona State University** in Tempe is offering a new BBA with a concentration in public service and public policy. It is designed for those who want to work in the public, nonprofit, and private sectors, and it combines classes from the Carey School with classes from ASU’s College of Public Programs.

■ The Simon Graduate School of Business at the **University of Rochester** in New York is introducing a full-time master of science in business administration with a concentration in medical management. The program is designed for members of the healthcare field who are not practicing medicine but need to master business and analytical tools. The school also runs a part-time medical management master’s program aimed at working professionals in the healthcare sector.

■ The College of Business Administration at the

SHORT TAKES

University of Tennessee in Knoxville has joined with the UT Health Science Center to launch a dual degree program leading to a joint MBA and Doctor of Pharmacy. The five-year program consists of 172 hours of coursework, including a strong emphasis on medicine in the PharmD program and a focus on innovation, analytics, marketing, and supply chain management in the MBA program.

■ This August, **Thunderbird School of Global Management** in Glendale, Arizona, launched a customized global leadership program for New Zealand executives. To develop the program, Thunderbird teamed with the University of Auckland, New Zealand Trade and Enterprise, and the ICE-HOUSE, a business growth center and incubator in New Zealand. The inaugural 12-month program will emphasize a collaborative, cross-border curriculum that takes participants to Auckland, Beijing, Shanghai, and Silicon Valley.

■ **Vanderbilt University's** Owen Graduate School of Management in Nashville, Tennessee, has created a new master of accountancy program. The MAcc Valuation program, which launches next August, will prepare students

to assess mark-to-model values, measure brand goodwill, and price acquisition targets. Students in the 12-month program will be prepared for two of three levels of the Chartered Financial Analyst exams, as well as the Certified Public Accountant exam.

■ The College of Business at the **University of Texas at San Antonio** has created a new BBA degree in sport, event, and tourism management. The new degree will prepare students for careers in sport management and marketing, event management, travel and tourism, and destination marketing.

■ A new program that explores the development of impact investing is being launched by the Center for the Advancement of Social Entrepreneurship (CASE) at **Duke University's** Fuqua School of Business in Durham, North Carolina. As part of the initiative, faculty members are writing new teaching cases and, in collaboration with the Kenan-Flagler Business School at the University of North Carolina in Chapel Hill, teaching a new course on impact investing in spring 2012.

■ **INSEAD** has announced several changes to execu-

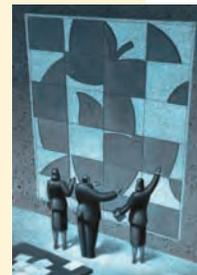
tive education programs held on its campus in Singapore, including a new Asia section that has been added to its Global EMBA program. Half of the 17-month program will be held in Singapore in three-day modules; during the other half of the program, participants will have a chance to spend time on INSEAD's campuses in Fontainebleau, France, and Abu Dhabi, UAE. In addition, INSEAD is introducing an executive master's degree in clinical approaches to management, and it is partnering with the Sorbonne University Panthéon-Assas law school in France to introduce an LL.M. to the Asia campus.

NEW CURRICULA

■ The W.P. Carey School of Business at **Arizona State University** in Tempe has extensively updated its MBA curriculum, focusing on the three key areas of leadership, globalization, and critical thinking. The revised EMBA program will open and close with 360-degree peer reviews and also feature customized professional development plans for each student, individualized meetings with an executive coach, leadership skills workshops, and other components. In the two-year full-time MBA program, students will also participate in

leadership activities as well as personal-branding experiences, résumé workshops, mock job interviews, and business communications classes. The evening MBA program is adding more leadership components and supplementing classroom work with podcasts, simulations, and multimedia tools.

■ This fall, the Anderson School of Management at the **University of California in Los Angeles** launched a new curriculum for its full-time MBA. The new curriculum is built around four components: a customizable core; tracks that enable students to deepen their knowledge in marketing, finance, or consulting; specialized courses on leadership and communications; and team-based management projects conducted over six months in the U.S. and globally. In addition, students will have the flexibility to design their classes in a sequence that best accommodates their career objectives and to earn certifications in areas such as real estate, entertainment, entrepreneurship, global management, healthcare, sustainability, or technology leadership.



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SHORT TAKES

■ The Edwards School of Business at the **University of Saskatchewan** in Canada will be launching a redesigned MBA for this academic year. The new curriculum retains its core content but has been streamlined into a 42-credit cohort model. The structural changes will move the Edwards School toward AACSB accreditation.

COLLABORATIONS

■ The Douglas C. Greene Center for Innovation and Entrepreneurship at **Southeast Missouri State University** in Cape Girardeau has announced two partnerships in the field of microfinance. The school has joined with The Kauffman Foundation to distribute and support the First Step curriculum for use by micro-enterprise development specialists. The center also is collaborating with microlending organization ACCION Texas to create ACCION Delta, which will support microentrepreneurs in the eight Delta states.

■ The **University of Arizona's** Eller College of Management in Tucson will launch its new Center for Leadership Ethics with the help of a three-year commitment from Merchants Information Solutions. The Phoenix-based company provides integrity testing, background screening, and identity theft restoration services.

■ Working through its Kelley School of Business, **Indiana University** of Bloomington is expanding its presence in India through memoranda of understanding signed with two

Indian Institute of Management schools. Under the five-year agreement between Kelley and IIM Lucknow, which formalizes and expands the existing relationship between the schools, the partners will create a joint master's program in business analytics and global strategy as part of the EMBA program offered by IIM Lucknow. The five-year agreement with IIM Rohtak, the first arrangement between the two schools, will initially focus on faculty research workshops and doctoral student development; it may eventually expand to a dual EMBA.

GRANTS AND DONATIONS

■ The Wharton School of the **University of Pennsylvania** in Philadelphia has announced a US\$12 million gift from alums Bruce Jacobs and Kenneth Levy, the principals of Jacobs Levy Equity Management. The gift will include \$10 million to establish the Jacobs Levy Equity Management Center for Quantitative Financial Research, which will be directed by Donald B. Keim, Wharton's John B. Neff Professor of Finance. The gift will also include \$2 million to fund the Wharton-Jacobs Levy Prize for Quantitative Financial Innovation, which will recognize the authors of outstanding articles that appear in peer-reviewed journals.

■ The **University of North Texas** in Denton has received a pledge for US\$22 million from entrepreneur and alumnus Charn Uswachoke. It is the largest gift in the history of UNT. Of the total gift, \$5 million will go to the

College of Business to fund study abroad scholarships for undergraduate and graduate students, and \$500,000 will establish the Charn Uswachoke Graduate Suite in the new Business Leadership Building. The rest of the money will go to the colleges of music and engineering.

■ The Simon Graduate School of Business at the **University of Rochester** in New York has received a US\$3 million commitment from Mark and Carolyn Ain to support entrepreneurship education and scholarships. Mark Ain, an alum, is the co-founder and chairman of workforce management firm Kronos Incorporated.

■ A grant from the Fifth Third Foundation will be used to underwrite operating costs for a Wall-Street-style trading room at **Xavier University's** Williams College of Business in Cincinnati, Ohio. The Bloomberg-equipped room, part of the school's new facility, has been named the Fifth Third Trading Center.

■ The **University of Windsor** in Ontario, Canada, has received a CAN\$450,000 grant from the provincial government to develop programs between the school of business and the faculty of

law to foster student entrepreneurship and boost the local economy. The joint program between faculties is conducted through the Centre for Enterprise and Law.

■ The Walmart Foundation has donated \$35,000 to expand the Veterans Launching Ventures program offered by the Rothman Institute of Entrepreneurship at **Fairleigh Dickinson University's** Silberman College of Business in Madison, New Jersey. The ten-week course combines online instruction with in-person teaching from faculty and military veterans; it is followed by ten months of one-on-one mentoring.

HONORS AND AWARDS

■ **The Graduate Management Admission Council (GMAC)** has recognized two schools with its annual TeamMBA award, which honors universities that exemplify a commitment to social responsibility through the actions of their students and the school's support for those efforts. The winner of the 2011 Team MBA institutional award is the Rollins MBA at Crummer Graduate School of Business, Rollins College, Winter Park, Florida. The 2011 Team MBA Service

Stepping Down



Jerry E. Trapnell, who has served as executive vice president and chief accreditation officer of AACSB International since 2004, will step down from his current role in September 2012. He was the association's first accreditation officer. He oversaw the implementation of AACSB's global accreditation standards for management education, which were adopted by the organization in 2003 while Trapnell was serving as chair of its board of directors. At the time, he was also dean of the College of Business and Behavioral Science at Clemson University in South Carolina. Trapnell has played a role in many other AACSB committees, including the Accounting Accreditation Committee, the Special Committee on Global Accreditation Strategy, the Blue Ribbon Committee on Accreditation Quality, the European Advisory Council, and the Doctoral Faculty Shortage Working Group. In September, he will take on a part-time special advisory role with AACSB. A search has begun for his successor.

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SHORT TAKES



Award, which recognizes outstanding projects in categories such as community service and sustainability, went to the Henry B. Tippie College of Business at the University of Iowa in Iowa City.

■ **Jimmy Peltier** received the Lifetime Achievement Award from the American Marketing Association this spring. A professor at the University of Wisconsin-Whitewater, Peltier has spent 25 years as advisor for the school's student chapter of the AMA.

■ **Robert Novy-Marx** has been awarded the 2011 Spängler Institute for Quantitative Asset Management (IQAM) Prize for the Best Paper in the *Review of Finance* for his study, "Operating Leverage." Novy-Marx is an assistant professor of finance at the University of Rochester's Simon Graduate School in New York.

■ **Steve Cook** has been named winner of the 2011 Outstanding Teaching Award for Economics in the U.K. Cook is a professor at Swansea University's School of Business and Economics in Wales. The award is given by the Economics Network of the Higher Education Academy.

■ **Ed Schnee** has received the Outstanding Tax Educator Award from

the American Taxation Association. He is the Hugh Culverhouse Professor of Accounting at the Culverhouse School of Accountancy at The University of Alabama in Tuscaloosa. The award is presented in cooperation with the Ernst & Young Foundation.

■ **Fred Phillips** has been awarded a 3M National Teaching Fellowship, the highest teaching honor in Canada. Phillips is an accounting professor and Baxter Scholar in Accounting at the Edwards School of Business at the University of Saskatchewan in Canada. He was also the inaugural winner of the University of Saskatchewan's Provost's Award for Outstanding Innovation in Learning in 2010.

■ Online publication *Small Business Trends* and *smallbiztechnology.com* have placed several business school professors and institutions on their list of Top 100 Small Business Influencers 2011. Among those honored were **Jeff Cornwall**, the Jack C. Massey Chair in Entrepreneurship and director for the Center for Entrepreneurship in the College of Business Administration at Belmont University in Nashville, Tennessee; **Scott Shane**, A. Malachi Mixon III Professor of Entrepreneurial Studies at Case Western Reserve's Weatherhead School of Management in Cleveland, Ohio; and **Patricia Greene**, the President's Distinguished Professor of Entrepreneurship at Babson College in Wellesley, Massachusetts. **Babson College** itself was also named as a Small Business Influencer for the year; so was

Top 10 in research productivity for the past five years.
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Editor, Academy of Management Review

Blake Ashforth
Senior Editor, Organization Science

Kevin Corley
Associate Editor, Academy of Management Journal

Jeff LePine
Associate Editor, Academy of Management Review

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OTHER NEWS

■ **Baruch College's** Zicklin Center for Corporate Integrity in New York City has launched the Baruch Index of Corporate Political Disclosure, which rates the S&P 100 companies from "transparent" to "opaque." The index uses a weighted system that includes 57 items related to corporate political activity at all levels and branches of government. In September, Baruch presented its research and made a summary available online at www.baruch.cuny.edu/baruchindex/results.htm.

■ In response to the growing need for business curricula that focus on sustainability issues, Ernst & Young LLP and the Ernst & Young Foundation have released a case study that examines the decision of a fictional firm to begin issuing a sustainability report. The case examines the feasibility of the report from the perspective of the CEO, CSO, CFO, and Audit Committee Chair. The study is available for free download at www.ey.com/climatechange.

■ The Kenan-Flagler Business School at the **University of North Carolina in Chapel Hill** has created a new fellowship program for outstanding women applicants to its MBA for Executives Programs.



The fellowship is offered in collaboration with the Forté Foundation, an organization of business schools and corporations that seek to increase the number of women in business.

■ Over the summer, 100 additional business schools joined the more than 500 already accepting the GRE General Test for MBA admissions, according to **Educational Testing Service** in Princeton, New Jersey. This summer, ETS also launched its user-friendly GRE revised General Test.

■ **Colorado State University's** College of Business in Fort Collins has created the Beverage Business Institute to provide specialized management education and research for the beverage industry. The institute will offer a number of workshops that can be combined into certificates as well as an MBA with a specialization in beverage management. Founding sponsors of the institute include the Coca-Cola Company, American Eagle Distributing Co., the Colorado Beer Distributors Association, High Country Distributors, New Belgium Brewery, Odell Brewing Co., Stolle Machinery, and Tamarron Consulting. 

TEN
ON



TEN

Ten deans take a look back at trends that shaped management education over the last ten years and offer their visions for the industry in the years to come.

“WHAT KEEPS DEANS AWAKE AT NIGHT?”

That was one of the questions we wanted to answer with the premiere issue of *BizEd* back in November 2001. In the article “The Challenge of Change,” we noted that deans were worried about finding and retaining faculty, effectively implementing technology, globalizing their programs, and keeping up with the needs of a changing international business environment.

We had a pretty good hunch that some of those concerns would be the same ones facing business schools ten years later. But to find out how those issues have evolved, or how they have been replaced by new ones, we approached ten individuals who have been deans ten years or longer and asked for their thoughts on key aspects of management education. Their wide-ranging essays consider what has occurred—and what has yet to be implemented—in areas as familiar as globalization and technology, and as crucial as accreditation and program design. They take a look at how women have fared in the upper echelons of management education, how schools have served minority students, and how business programs have dealt with issues of ethics, honor, and social responsibility.

Some of these deans also muse on what the next ten years might hold, and how change will mark the next decade as indelibly as it did the last. But there’s one thing they all agree on: The key to the future of management education is understanding its past.



Business Schools: A Look Back, A Look Ahead

BY JUDY OLIAN

Almost ten years ago, I chaired an AACSB task force examining serious concerns about the future of business schools. The result was a hard-hitting report, “Business Schools at Risk,” which identified several major threats to management education, including the PhD shortage, the irrelevance of the curriculum, and the increased competition from non-accredited institutions. A decade later, I see reason for tempered cheer.

At the time, there was a growing shortage of academically qualified faculty. On the face of it, that problem appears to have been eased. In 2001, a total of 1,180 U.S.-trained PhDs graduated in business and management. By 2008, that number had risen to 2,084. In addition, AACSB’s Post-Doctoral Bridge Program for academics has helped transition 176 PhDs from other fields into business.

Still, the growth rate of U.S. PhD graduates from 1970 to 2008 is less than half that of MBA graduates—236 percent for PhDs versus 622 percent for MBAs. There has been explosive growth in business



schools globally, so even though we’ve been pumping the PhD pipeline, demand still exceeds supply. As a result, leading business schools worldwide compete fiercely over the same tiny pool of graduates, resulting in steep salary escalation.

Because of supply shortages and cost pressures, there is an increasing number of business faculty who are professionally, rather than academically, qualified. In 2002, 22 percent of faculty at AACSB-accredited institutions were professionally qualified, compared to 31

percent in 2010. AACSB also has helped alleviate faculty shortages through its Bridge Program targeted to professionals, training 267 senior-level business practitioners to become business faculty. While some traditionally trained faculty might grumble about this trend, it’s likely to continue.

The increase in PQ faculty addresses another concern: the relevance of the business school curriculum. In response to that criticism, schools have not only hired more practitioners as faculty, but also introduced creative curricula and pedagogical innovations that are more market-focused, career-oriented, technologically supported, and globally immersive. And yet, schools continue to teach in silos, despite tight linkages among business functions. To align our programs better with business, we will need to challenge entrenched traditions related to faculty department structures and teaching traditions, or else our students will be ill-prepared for the needs of the market.

Looking ahead, I see important societal issues that need our voices and ideas. We must do more to

THE FUTURE OF BUSINESS SCHOOLS

“I think the standard definition of business school as a place that you go to take courses is dying. In my view, it’s about creating a global knowledge and learning network that combines people, places, and technology for a lifetime.”

— Gabriel Hawawini, “The Challenge of Change,”
November/December 2001 (then the dean and now a professor at INSEAD in France)

WORDS
OF WISDOM

infuse business thinking into the big issues of the day—education, poverty, healthcare, innovation, sustainable business, and the productive intersection of business and government. These issues *require* the voice and thought leadership of our faculty, but with few exceptions, we have been absent from these conversations. We won't have that voice until we engage meaningfully and creatively with other disciplines on our campuses and beyond, in ways that mirror the complexity of these societal challenges.

There is no doubt that management education is even more fragmented than it was a decade ago, with more types of educational providers (nonprofit and profit, accredited and non-accredited, university and corporate), more campuses (single and multiple, within and across countries, physical and virtual), and more diversity (one-, two-, and three-year MBAs, for instance). As an example, U.S. private for-profit institutions grew from 3.5 percent of the educational market in 2000 to 11.8 percent in 2009. That fragmentation is sure to continue.

One could argue that such fragmentation is good for the consumer, since there is an offering for every need. However, for traditional business schools, the competition has intensified, requiring us to be more convincing about the value and distinctiveness of our programs. The cost of business education is escalating, and many schools are no longer accessible or affordable. At the same time, high-flying tech entrepreneurs question whether business education is necessary for successful business careers, and the economic crisis damaged confidence in graduates' job prospects.

As critics of business education become more vocal, they challenge us to deliver clearer answers to prospective students, as well as to those who support our enterprise, about the *virtuousness* of a business education. They insist that we demonstrate how business schools shape leadership values, determine career success, and advance communities around the world.

Virtuousness as a standard for business education? Absolutely. Business schools must focus on producing principled, skilled leaders for all forms of organizations. To achieve that calling, schools must exploit every tool available to bridge the global educational and digital divide, and to increase the accessibility of business education to all groups—economically privileged or not. For example, Africa has only 771 business schools compared to 3,850 in the Americas and 6,494 in Asia. Mobile communications have revolutionized the reach of our programs, so that we now can rise above the social, political, and infrastructure barriers that exist in underdeveloped regions, to deliver business education and advance ideas that will elevate the well-being of global communities.

As I noted earlier, business schools have accomplished significant change, and they have the potential to achieve much more. If I were writing a report today on the future of business schools, I'd title it "Realizing the Promise of Business Schools for the World: Still Much to Accomplish."

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Judy Olian is dean of UCLA Anderson School of Management in Los Angeles, California.

Questions of Courage, Not Ethics

BY PAUL DANOS

In light of the financial crisis, the big question for business schools is not, "How do we teach ethics?" It's actually, "How do we better prepare leaders to meet their responsibilities?"

The press is replete with commentary blaming this crisis on a lapse of ethical standards among business leaders and regulators. But I do not believe that ethical lapses, as normally defined, were the main cause of this crisis. It was sparked by the actions of several key individuals who did not fulfill and/or fully understand the responsibilities implicit in their positions.

For that reason, business schools must teach future leaders what it means to be fully responsible for the duties required of their positions. We must help them acquire the knowledge they need to make appropriate decisions, gather the courage to express their independent viewpoints, and develop the awareness to act ethically in the process. By doing so, we will do more to remedy poor business practices than we would by focusing on ethics alone.

Who was ultimately responsible for ensuring a well-functioning banking system? How well did these individuals fulfill their responsibilities?

The answer to the first question is that top bank regulators at the U.S. Federal Reserve had the duty and power to ensure a safe and orderly banking system. The answer to the second is, "Not well." Even

so, it is far too easy and incomplete to conclude that top bank regulators were unethical. While regulators fell short on fulfilling their responsibilities, I see no evidence of widespread ethics violations. Given the fits and starts they exhibited in finding solutions, they seemed to simply lack the requisite knowledge or courage for their positions. They failed to analyze and assess systemic risk, and they relied far too much on “free markets” to regulate banks effectively, as Alan Greenspan himself admitted.

Now let us turn to the individual banks and their leaders, the main targets for charges of greed and ethics violations. Who was ultimately responsible for safeguarding the banks, and how well did they fulfill their responsibilities?

Bank directors and CEOs had the duty and power to avert a crisis at their banks. They should have had the knowledge to safeguard their institutions, but many did not fulfill their responsibilities. They did not look broadly or deeply enough at risks to see the full consequences of extreme leverage, complex financial instruments, and counterparty reliance. Few if any displayed the courage to own up to ignorance in the face of complexity. They also seemed to go along with perverse



compensation schemes that led others to ignore systemic risks.

In the previous examples, the parties had the power to avert disaster, but they likely lacked the knowledge their positions required, or even a thorough appreciation of the duties they had assumed. Most important, they seemed to lack the courage to speak up when necessary. For that reason, I conclude that business schools should go far beyond what is considered traditional ethics coverage as they prepare future leaders.

The Tuck School of Business, like many other business schools, will continue to offer courses that delve into the ambiguity and complexity of ethical dilemmas and into the murky personal motivations that often accompany them. We do so in the belief that raising student awareness of these situations is a necessary starting point to encourage responsible behavior. But traditional ethics coverage is not enough. The truth is that this crisis could have happened even if all parties had acted according to high ethical standards.

Therefore, in addition to teaching conventional business ethics, we must ask:

- Are we giving students the tools to grapple with an increasingly complex world?
- Do we help them fully understand the duties and responsibilities attached to the leadership positions they will someday hold?
- Do we teach them to appreciate the courage it takes for a leader to admit ignorance?
- Do we train them to dig deep into issues and keep their minds open and skeptical?
- Do we prepare them to keep learning for a lifetime?

If the answer to any of these questions is no, we must modify our programs and address each shortcoming in the months and years to come. As we observe the leadership deficiencies that lie at the root of the financial crises, it’s vital that we teach our students the true responsibilities of leadership and expand our definition of ethics beyond its conventional bounds.

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Paul Danos is the dean of the Tuck School of Business at Dartmouth in Hanover, New Hampshire.

ETHICS & CORPORATE SOCIAL RESPONSIBILITY

“In the so-called ‘new economy,’ it may seem that the rules of business have changed to suit the faster pace of the technological times. ... There is no such thing as ‘cyberethics’ or ‘ethics in e-commerce.’ There is simply the practice of business ethics.”

— Marianne M. Jennings, “Ethics in Cyberspace,” January/February 2002
(then and now with Arizona State University)

WORDS
OF WISDOM

Where Is IT Taking Us?

BY JOYCE ELAM

Information technology has transformed how professors teach and how students learn. But now that technology is so ingrained in our classrooms, it can be easy to forget how fast things have changed—and how much technology still challenges us to rethink how we teach.

One of my first glimpses of what could be achieved with technology came in 2001, with the launch of Wikipedia. At the time, I wondered at the possibilities of an open-platform encyclopedia created entirely by volunteers, but I could not have predicted that Wikipedia would become one of the most visited information resources on the Web.

Our world changed even more in 2004, when Google went public. Who would have known that by 2006, “Google” would be a verb in the *Oxford English Dictionary*? Or that today, Google would process more than 1 billion search requests daily in 40 different languages?

In 2001, we used mobile phones primarily to make phone calls. I could not have imagined that within ten years, we would use them to text, surf the Internet, and access mobile applications far more than we would use them for voice communication. Here’s another measure of change: Six months after Apple launched the App Store for the iPhone in mid-2008, the store offered more than 10,000 applications. Today, the App Store has more than 425,000 applications and this year recorded its 10 billionth download.

In the mid-2000s, as bandwidth increased and Web browsers evolved,



we saw the emergence of Web 2.0. Users began blogging on sites such as WordPress and EduBlogs, networking on Facebook, sharing videos on YouTube and photos on Flickr, and sending 140-character tweets through Twitter.

Over time, the educational value of every one of these tools has been questioned. And every one of them—Google, Wikipedia, smartphones, and social media—eventually has been adapted in some way for educational use.

Perhaps no innovation has been adopted more rapidly in higher education than learning management systems (LMS), which have advanced significantly since the early 2000s. They now integrate social media and third-party technologies to enable students to collaborate and access resources outside of the classroom, often through their smartphones and tablet devices. Beginning this year, our EMBA students at Florida International University will use their iPads to access our LMS and most

of their course material. I expect all of our students will be able to do so within the next few years.

These changes have driven growth in online programs. In 2001, FIU delivered less than 5 percent of undergraduate courses exclusively online; today, that number is close to 40 percent. In 2009, we launched an online MBA program; today enrollment in that program exceeds that of all of our face-to-face MBA programs. Online enrollments across higher education have been growing substantially faster than traditional enrollments.

As we enter the next decade, several new technologies promise to further transform education:

- **Augmented reality**, which combines real-world elements with computer-generated data.
- **Game-based learning**, or “serious games,” which place students in competitive gaming environments tailored to teach concepts and develop skills.
- **Gesture-based computing** that tracks body movements, allowing users to physically manipulate data and 3D images.
- **Learning analytics**, software that we can use to collect data to help us understand how students learn best.
- **Interactive digital texts** that go beyond digitally reproducing printed text to integrating live links and social interactions.

While we might not be able to predict exactly how emerging technologies will change education in the next decade, we can be sure

that students will expect to be able to learn and study whenever and wherever they want. They'll expect our curricula to deliver learning experiences that are engaging, collaborative, accessible via mobile devices, and integrated with the world beyond the classroom. And they'll continue to enroll in online programs at accelerated rates.

That means that as educators, we will have to embrace online delivery of our programs. And we'll be forced to redesign the traditional face-to-face classroom environment to provide depth, flexibility, and dynamic new learning experiences.

As each new technology has arrived, many educators, like me, might not have realized exactly where we were headed. But now we know both what these tools make possible and how students want to learn. So, perhaps the question for today is not "Where is technology taking us?," but "Where will we take technology?" In the next ten years and beyond, our goal will be to design educational experiences that are more interactive and powerful than those that came before.

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 Joyce Elam is dean of the College of Business Administration at Florida International University in Miami, Florida.

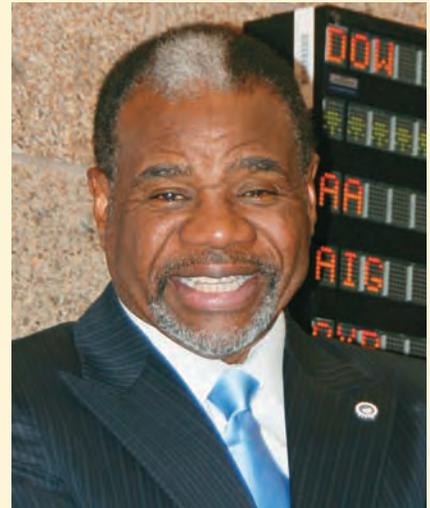
Measures of Progress

BY BARRON H. HARVEY

In the past decade, business schools at historically black colleges and universities (HBCUs) have dealt with the same concerns confronting most other schools: a shortage of academically qualified faculty; limited resources; a curriculum that must constantly adapt to the evolving business environment; the demands of rapidly changing technology; and the pressing need to increase partnerships and alliances.

But HBCUs also have faced challenges related to their own historic mission: educating minority students to become valuable members of the business community. To measure the progress of these institutions, it helps to look back much farther than ten years. The first HBCU was established in 1837, and the first HBCU started offering business and management classes in 1870. But it wasn't until 1945 that Atlanta University, now Clark Atlanta University, became the first one to establish an MBA program—37 years after Harvard offered the first MBA in 1908.

Today, there are 105 HBCUs throughout the U.S., and 54 of them have business schools. For all of us the goal remains the same: enroll and graduate more minority students. Fortunately, we've seen a rise of organizations and activities designed to strengthen our enroll-



ments and bring more minorities to the discipline. We can measure our progress through their achievements:

The influence of the PhD Project. Established by the KPMG Foundation in 1994, the PhD Project has had tremendous impact in the past ten years, helping more than 300 minority faculty members achieve doctoral degrees. Today, in part because of the PhD Project's encouragement, more than 400 minority students are pursuing PhDs in business.

The founding of the National HBCU Business Deans' Roundtable. In 2001, the Roundtable was created with the mission of enhancing the effectiveness of HBCU business programs and increasing the competitiveness of their graduates.

ONLINE LEARNING

"Shying away from Internet-based education because it is too impersonal to be effective is nonsense. Nothing is easier than building feedback and direct contact into the Internet."

— Peter Drucker, "Taking Stock," November/December 2001
 (then with Claremont Graduate University in California; passed away in 2005)

WORDS
 OF WISDOM

In 2003, the organization held its first National Summit in St. Louis, Missouri, and representatives of 54 business programs attended. The four-day event included sessions on curriculum development, leadership, fund raising, partnerships, student and faculty recruitment, and accreditation. In 2012, the organization will present its 10th summit in Washington, D.C. The Roundtable also hosts an annual research forum, as well as a teaching conference, designed to improve faculty resources at member schools.

The pursuit of accreditation.

Accreditation is a hallmark of quality education, and today the majority of HBCU schools of business have attained it. The first HBCU business school to achieve AACSB accreditation was Texas Southern University in Houston in 1968. In 2001, there were 15 HBCUs with AACSB accreditation; in 2011, there are 22. Three—Howard University, Morgan State University, and North Carolina State A&T University—have also earned separate accounting accreditation.

The growth in graduate programs. During the past 11 years, more HBCUs have added masters' programs to their offerings, and two now award PhDs. Jackson State University's doctoral program began in 2000 and Morgan State University's in 2001, and together they have produced 57 PhDs in business.

Institutional and individual excellence. During the past decade, the *U.S. News & World Report* launched its annual HBCU ranking guide, and a number of these schools have landed in *Princeton Review's* "Best Colleges" Survey. Faculty have won regional and national teaching awards, as well as Fulbright scholarships, and student teams from HBCUs have placed in national competitions. Faculty and deans serve on

national and international committees for professional organizations. Many graduates from HBCU programs hold high-ranking positions in Fortune 500 companies and the public sector; others have become successful entrepreneurs.

In short, over the past decade, HBCUs have participated in the world of management education in diverse, vibrant, and exciting ways. And they keep getting better. More important, these schools are thriving examples of the value of a diverse faculty. Their graduates are living testaments of what minority students can achieve.

In the next ten years, all business schools will face challenges similar to those they've seen in the past ten—faculty shortages, revenue shortfalls, and the fast pace of technological change. At the same time, we'll all need to expand our graduate programs to include more online and nondegree programs and focus more broadly on globalization through our partnerships and curricula. But HBCUs must also work with their partner organizations and schools to continue their unique mission—educating high-quality minority students prepared to make contributions to the world of business and the global society.

The future for HBCU business programs looks bright. Business programs continue to be popular among minority students. New doctorally qualified faculty are eager to return to HBCU campuses to make a difference and add to the legacy of their alma maters. And more HBCUs are partnering with Fortune 500 companies to place outstanding management talent in influential positions. The next ten years could be the best ones yet for HBCUs.

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Barron H. Harvey is dean of the Howard University School of Business in Washington, D.C.

The New Learning Paradigm

BY THIERRY GRANGE

Over the past decade, attendees at many industry seminars and conferences have debated what radical changes might be in store for education and how these would impact business schools. But the events that ultimately had the most profound effect on business schools came from outside academia: the financial crises of 2002 and 2008, the scandals surrounding prominent CEOs, and the technological advances in knowledge dissemination.

As business educators, we know as well as anyone how difficult it is to predict the factors that will shape our programs in the coming years. Even so, I believe there are three that will have the most far-reaching effects in the next decade:

The impact of technology on learning. Ten years ago, many people feared that the Internet was a serious threat to business schools because it would give online universities an edge in competing with traditional schools. But that threat has failed to materialize. Instead, most schools have learned to compete with these providers by developing their own blended programs that combine face-to-face and e-learning approaches.

But the advent of the Internet *has* brought about dramatic changes in the way students learn, professors teach, and books are used in the classroom. Almost all students, from undergraduates to executives, are comfortable using their computers to acquire new knowledge,

whether in virtual classrooms or in peer-to-peer exchanges. Many faculty members use digital portals to conduct online discussion forums or upload video lectures so they can reserve class time for more interactive learning experiences. The availability of e-books allows teachers to use samples from a dozen textbooks without overtaxing student budgets.

The widespread acceptance of online education has fundamentally transformed our perception of what knowledge is and how it should be acquired. It has changed the psychology of learning. New learners want an education so focused that it's almost vocational. They want to learn by doing, or at least by experimenting in parallel with their reading and lectures. To accommodate them, schools will need to institute major changes at the faculty level, the curriculum design level, and the classroom teaching level. Schools may need a long period of anticipation to install these new learning principles, but they need to understand them now.

The economic model of the West. In Western economies, many businesses are shifting away from traditional methods of building wealth, which relied on good leadership and strong product, to more “virtual” models that often rely on nothing more than good press and an IPO. In the process, we’ve lost even a minimal consensus regarding what is ethical in business—and we’ve lost a sense of purpose in business education.

In fact, business education today has become both a commodity that we “sell” to our students and a luxury product that we offer to

the elite. As we try to maintain that elite image, we design portfolios of management programs that seem more and more sophisticated. But are they necessarily better? I argue that without a shared view of integrity and ethics, we cannot achieve real learning in our classrooms. Without a shared view of the purpose of business, we cannot train leaders whose contributions will lead to a better world.

The changing value proposition of business education. Already, schools have begun to craft different value propositions to appeal to different audiences, but I expect



this practice to become more common in the next decade. At the same time, business schools are seeing more potential students access business knowledge through other venues—through schools of engineering, economics, or political science, or through “institution-less” online learning portals.

To stay competitive, business schools will have to review their positions and their own contributions to business education. They

will have to design value propositions that appeal to more diverse applicants with more diverse origins. They will have to be more innovative, particularly in two areas: internationalizing the curriculum and conducting executive education programs.

Making their programs more international will require schools to integrate the rest of the world’s reality into their curricula. They will need to send their students out of the classroom for experiential learning so these students can go from “fingers on” (the keyboard) to “hands on” (the real world).

Improving their executive education offerings will help schools connect more deeply with the real world. Exec ed faculty not only teach business subjects to top-level managers, they also learn about current business practices from these participants, who share information about challenges and solutions at their own companies. Faculty can then share these insights with the rest of the business school, incorporate them into their own lectures, and strengthen their entire programs.

In summary, during the next ten years, business schools must compete for students even as they deal with major changes affecting our industry. They must embrace the realities of the digital age. They must take up the ongoing challenge of establishing business ethics. And they must design innovative new value propositions that allow them to educate students to build a better world.

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Thierry Grange is dean and director general of the Grenoble Ecole de Management in France.

The Dean's Global Journey

BY HOWARD THOMAS

The Financial Times recently identified me as the “most serial” of serial deans, based on the fact that I have held deanships on three continents: in the U.S., at the University of Illinois in Urbana-Champaign; in Europe, at the Warwick Business School; and in Asia, at Singapore Management University.

These experiences have convinced me that global management education needs to be delivered in the context of local history, politics, and culture—in a way that is “culture-full” rather than “culture-free.” But it’s not easy to develop a leadership style that works in a variety of “culture-full” international settings. For me, three components have been essential: cultivating contextual intelligence, practicing active listening and learning, and taking time for reflection. I want to elaborate on each one, as I think they all will be critical for any dean attempting to lead an international business school through the next ten years.

Contextual intelligence. Today’s deans must be aware of what’s immediately apparent, but also curious about other, less obvious

layers that have meaning and influence. This big picture perspective allows them to understand other people’s attitudes and behaviors, and it helps them deal with emerging trends, evolving environments, and messy problems.

Contextual intelligence was essential during my deanship at Illinois. Because I’d been a faculty member there prior to being appointed dean, I understood the internal culture. I also realized the influence of external stakeholders, such as alumni and the board of trustees, and I knew I needed to balance their focus on practical relevance with the faculty’s emphasis on research and teaching excellence.

Contextual intelligence was also necessary when I took over the deanship at SMU. I needed to understand quickly not only the Asian culture, but also how the business school’s goals aligned with the university’s and how deeply the government of Singapore was involved in management education. If I had not been able to put the school into these contexts, I would not have been able to function effectively as dean.



Active listening. This means listening without interrupting, feeding back what has been said, observing body language, and trying to understand what has not been said as much as what has. I believe that new deans at international institutions need to actively listen to all stakeholders to get their input on the priorities and strategic directions the schools should embrace.

By the time I went to Warwick, distinctive models of European business education had developed—as exemplified by institutions like HEC, IESE, IMD, INSEAD, London Business School, and Oxford—and I realized I needed to reassure faculty that I would not attempt to impose an American style of education on this U.K. school. By visiting the school several times before taking up my post, and by listening carefully to the concerns of faculty, adminis-

WORDS
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GLOBALIZATION

“I think increasingly our challenges will be related to our ability to operate globally in a world we don’t necessarily know. One day you might be in India, and the next day you might be in Iran. Students can’t just take business courses. They need to understand culture, philosophy, and religion.”

— Donna Shalala, “At the Top of Her Game,” July/August 2002
(then and now president of the University of Miami in Florida)

trators, and alumni, I was able to learn the internal and external contexts that affected the school.

I also visited SMU multiple times before I assumed the deanship at that school, so I could learn about its culture, capabilities, challenges, and context. This helped me assemble a strong management team as well as a group of external experts who could help me identify weaknesses and opportunities for the school and develop a clear vision and strategic agenda.

Time for reflection. Deans will always need time to reflect on and analyze the forces shaping their schools—and this reflective time also will shape their behavior as deans. While I was at Warwick, which operated under a rigid university bureaucracy, I learned to cultivate patience, tact, and diplomacy. This helped me adapt to the relentless pressures created by research assessment and quality assurance exercises mandated by the government, and the additional pressure to achieve multiple accreditations and advance in the media rankings. It also led me to develop a coaching style of leadership, and I worked closely with faculty to nurture their work.

I believe these efforts led me

to become more political, more subtle, more extroverted, and better able to cope with the dean's various identities of administrator, entrepreneur, and scholar. I believe most deans will find that reflection and thinking time will enable them to become better at listening to others and practicing diplomacy. With luck, it will also help them cultivate other traits that will serve any dean well: honesty, integrity, optimism, humanity, and humor.

Whenever there's a change in leadership at any business school, it can be an exciting but uncertain time for the new dean and the whole organization. Staff, students, faculty, and other stakeholders all want stable and consistent leadership that brings about long-term improvement and enhances the school's distinct global footprint. Deans that study the cultural context, actively listen to stakeholders, and constantly reflect on their journeys will be well-suited to leading international business schools to stability and success through the next decade.

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Howard Thomas is LKCSB Chair of Strategic Management and dean of the Lee Kong Chian School of Business at Singapore Management University.

You've Come a Long Way, Maybe

BY LINDA R. GARCEAU

Ten years ago, when I attended my first AACSB Annual Meeting as a dean, I was one of the few women present at any of the sessions. In 2001, only 16 percent of the deans at AACSB-accredited schools in the U.S. were women, and among all business deans in the U.S., only 65 were women.

One reason women were so scarce was that there just weren't many of us in the business disciplines. Women my age had attended undergraduate school in the late '60s and early '70s. Many of us had pursued baccalaureates in one of the more "traditionally women's" disciplines—such as English, education, psychology, or sociology—only transitioning to business during our graduate or doctoral studies. In 2001, we were just beginning to enter the senior ranks of most colleges, where we were considering our next opportunities in administration. At the level of dean, those opportunities were scarce.

WOMEN IN BUSINESS

"It's harder for a woman to be dean of a business school than to be president of a university. Three Ivy League schools have female presidents. But of the six Ivy League universities that have business schools, none have female deans."

— Helen Frame Peters, "Educating Women," July/August 2002
(then dean and now a professor at Boston College in Massachusetts)

WORDS
OF WISDOM

But times are changing. For proof, I look to events like the formation of Women Administrators in Management Education (WAME), which was founded in 1996 by Pat Flynn of Bentley University and literally a handful of other senior women administrators. When I became involved in 2001, typical attendance at a WAME meeting was 25 or 30. At the 2011 event, there were more than 100 in the room.

The number of women involved in AACSB activities and governance also has grown substantially in the last ten years. While few women served on peer review teams in 2001, the organization has made an overt effort to increase the number of women joining teams and taking committee assignments. One milestone was reached several years ago when Simmons College, a women's school, applied for initial accreditation—and AACSB assembled an all-woman peer review team. Ten years ago, that wouldn't have been possible.

In the past decade, the association has achieved other milestones. Today, approximately 30 percent of the board is female, and two women—Carolyn Woo and Judy Olian—have chaired the board of directors. But there remains significant room for improvement. For instance, since 2001, the number of AACSB-accredited schools in the U.S. that have women deans has increased by only 1.5 percent. That's just eight more deans.

I expect those figures to change in the next ten years. Susan McTiernan of Quinnipiac University has joined with Pat Flynn to study the ways women rise to

top administrative positions in universities. In their paper “‘Perfect Storm’ on the Horizon for Women Business Deans?,” they note that, more frequently than men, women are promoted to the position of dean from the position of interim or associate dean. While men account for 71 percent



of all associate deans, women have gained parity in most other administrative roles. Thus, we can hope that the next generation of senior administrators will include more women in its ranks.

As that happens, I expect changes in business school management to follow. Like their counterparts in business, women deans often display a collaborative management style that can be different from that of their male colleagues. For instance, I don't sit at the head of the table in my conference room, but at its center, and I choose to involve many others in my decision-making process.

This approach can bring its

own challenges, as some co-workers interpret it as indecisive or weak. On occasion, I have had to revert to a more directive style of management, though I am glad to report that those instances have grown more rare. Perhaps that's because younger faculty desire a greater level of ownership and engagement in the management process, or because they're more comfortable than older faculty are with a woman in the top role.

Bringing women into the corner office also could have an impact on the business curriculum. Women have been leaders in developing values-based business education. They've championed ethical business practices, social entrepreneurship, and sustainability. These programmatic initiatives will alter the education that our future undergraduate and graduate business students receive, encouraging them to evaluate solutions based on their social merits as well as the bottom line.

More than 40 years ago, Virginia Slims cigarettes were marketed to women with the tag line, “You've come a long way, baby.” Indeed, women *have* come a long way in the past ten years, but we still have a long way to go. It is vital that when schools look to fill leadership positions, they seek out candidates who might not always look or act just like their current leaders. Business schools need the perspectives and insights that women bring to the table—and so does business.

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Linda R. Garceau is dean of the College of Business and Technology at East Tennessee State University in Johnson City.

Shaping the Future

BY RICHARD E. SORENSEN

In my academic research, I study how change theory applies to the implementation of large-scale computer models that help solve business problems. As part of my research, I've reviewed Fortune 100 companies—in industries such as airline reservations, financial services, and petroleum refining—that failed to use such computer models in the 1960s. Within ten years of the research, all of those firms had either gone out of business or been taken over by others.

Resistance to change was not an effective strategy for organizations in the 1960s, and it is an even less effective strategy today. That holds true whether the organization is a corporation, a university, or an association such as AACSB International.

Like businesses and business schools everywhere, AACSB has grown more international and complex in the past ten years, and it has made significant changes to meet the constantly shifting needs of its evolving membership. In 2000, AACSB established a Blue Ribbon Committee on Accreditation Quality to determine how the



standards could be revised to support accreditation of international schools. Those revised standards, which granted accreditation based on a school's overall quality and continuous improvement efforts, have been in place since 2003.

Now, in 2011, the association must adapt once more to align itself with the new realities facing businesses and business schools. A new BRC has been formed to determine how accreditation standards should be amended again to accommodate an increasingly international membership base that serves a globally interconnected economy. The committee faces many challenges, from understanding how environmental changes will impact business education to providing leadership for businesses that want to reposition themselves as socially responsible organizations. Along the way, the committee must determine how to enhance value to accredited schools that are increasingly diverse in their expectations and needs.

Revising accreditation standards won't be an easy or quick undertaking. After obtaining broad input from the academic and business communities, the BRC will draft position papers that identify the most pressing issues facing management education. Once these have been presented for wide debate, the committee will propose revised accreditation standards that will be voted upon by AACSB members. The recommendations will be offered in April 2013—ten years after the association adopted its current standards. The overriding goal is to make certain that AACSB and its members use the lessons of the past decade to position themselves for success in the next one.

In my opinion, both AACSB and its member schools will be best served by an approach that focuses on overall high quality and continuous improvement. Together we must identify the characteristics of a quality business school and use them to develop the accreditation standards and practices that will support top programs.

From much debate and discussion, we can already point to several key characteristics that a quality business school should possess. These include a well-developed

TECHNOLOGY

"I think technology does have the capability to enable us to make the best use of time. But I don't know that we've developed the technology that enables us to be more effective in our *reflective* time."

— Robert Mason, "On the Right Tech Track," November/December 2001
(then with Florida State University, now with the University of Washington)

WORDS
OF WISDOM

strategic mission statement that differentiates the school from other programs; a curriculum that supports the school's mission and builds on the traditional business disciplines; decisive, collaborative leadership that deploys resources effectively; a well-prepared faculty that balances teaching, research, and service; a student body suited to the school's particular mission; and a career services system that helps students find jobs and become responsible citizens.

I think it's just as critical that business schools emphasize the "soft skills" that are so important for great leaders to develop. These skills are complex and wide-ranging, as they encompass an appreciation for justice, diversity, lifelong learning, ethical behavior, and sound environmental practices. They also include respect for every culture, an understanding of the global business community, and strong political awareness. All of these abilities must be mastered by top executives if they are to be successful.

Even as the business world changes, and changes again, these hallmarks of quality remain constant. As the BRC moves forward—as the association and its member schools contemplate the future—it will be helpful to all of them to think about what attributes endure. These will become their building blocks for success for the next ten years.

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Richard E. Sorensen is dean of the Pamplin College of Business at Virginia Polytechnic Institute and State University in Blacksburg. He is also co-chair of AACSB's Blue Ribbon Committee on Accreditation Quality.

Competition Through Cooperation

BY FERNANDO A. D'ALESSIO

Twelve years ago, I was asked to lead a project to create a graduate school of business for the Pontificia Universidad Católica del Perú in Lima. Knowing how fiercely competitive the industry had become, I knew certain conditions would have to be in place for any new school to be successful in this new millennium.

It would need a state-of-the-art, independent campus with a distinctive brand, at a time when many schools were fighting for recognition. It would need to attract faculty with academic and corporate backgrounds, when such faculty were expensive and scarce. The school's leadership would need autonomy to make operational, academic, and financial decisions, when securing funding was becoming more difficult. And it would need an MBA curriculum that trained students in responsible leadership; taught them soft skills such as critical thinking, emotional intelligence, and communications; and offered comprehensive study experiences abroad.

And, by the way, this brand-new school would need to do all of this while competing with established business schools that were trying to do the same.

Despite the challenges, plans went forward to create CENTRUM Católica, and the campus was christened on March 1, 2000. We laid out a four-stage strategic plan that would take us from laying the foundations of the school in 2000 to building

our market mid-decade to positioning ourselves as a global provider of management education by 2014.

The cornerstone of our success has been a series of powerful alliances with top business schools around the world. Although this might be considered a non-traditional approach, I believe such alliances will become more important—even essential—for business schools during the second decade of the 21st century. We pursued these partnerships to



address two distinct challenges: developing a curriculum and hiring faculty.

Developing the curriculum.
Our first MBA program was offered with the Maastricht School of Management in The Netherlands. Students take classes at CENTRUM and MSM, and at the end, they earn MBA degrees from both schools. We also started a full-time entrepreneur-

ial MBA with Babson College in Wellesley, Massachusetts, in which students spend two weeks at Babson learning about new ventures and startups.

Once these programs were in place, we were able to strengthen CENTRUM's own offerings to its local market. We launched a managerial MBA in August 2001. This program is delivered every other week in Lima and in alternate weeks in the Peruvian cities of Arequipa, Trujillo, Chiclayo, Piura, Cajamarca, Huancayo, and Cusco.

We then launched a Global EMBA joint program with Tulane University in New Orleans, Louisiana, which sends students to CENTRUM; Tulane's campuses in New Orleans and Shanghai, China; and Instituto de Empresa (IE) in Madrid, Spain. In 2008, we launched an Energy MBA with the University of Calgary's Haskayne School of Business in Canada. We recently opened facilities in Bogotá, where we deliver a new Global MBA with EADA Barcelona. As part of the program, students visit Barcelona, Miami, and Lima. We are also looking forward to entering the markets in Buenos Aires and Miami.

To facilitate student and faculty exchanges, we formed strategic alliances with schools such as IE, Johns Hopkins University's Carey Business School in the United States; Université Laval in Canada; ESSEC Business School, Audencia Nantes School of Management, and Grenoble Ecole de Management in France; and Tel Aviv University and Hebrew University in Israel.

Finding faculty. At CENTRUM, strong alliances also have helped us fill our faculty roster, which includes full-time, part-time, affiliated, and partner faculty. Most of our part-time professors are professionally qualified, but almost all others are academically qualified. Our affiliated professors are non-tenured academics, corporate practitioners, or independent consultants who commit to teach one course a year and conduct research. Professors from our partner schools teach in programs either at CENTRUM or at their home institutions.

Today, more than 200 faculty members cover CENTRUM's academic activities in all locations. Tenure? What for?

In just ten years, CENTRUM's nontraditional approach has allowed it to grow from an idea to a standalone business school. Today, we are supported completely by tuition and partnerships. We do not receive funds from the university, government, or donors. We also have earned AACSB, EQUIS and AMBA accreditations.

With today's competition being so fierce, business schools must find ways to set their programs apart, even as they work together. They must deliver comprehensive global programs, even as they must sustain their resources. Born in today's environment, CENTRUM was ready to adopt new strategies to suit the competitive landscape and help it become a self-sustaining global business school. I believe other schools will have to recreate themselves in similar ways, adopting non-traditional approaches to hiring the faculty and designing the curricula that will support their growth over the next ten years.

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Fernando A. D'Alessio is the director general of CENTRUM Católica at Pontificia Universidad Católica del Perú in Lima.

ETHICS & CORPORATE SOCIAL RESPONSIBILITY

"Ask Human Rights Watch about Enron's record in India as it built the Dabhol Power Plant. No amount of support for the Houston Ballet can excuse the injustices perpetrated in India under the rubric of business investment!"

— Judith Samuelson, *Your Turn*, September/October 2002
(then and now with the Aspen Institute)

WORDS
OF WISDOM

Better Days Ahead

BY ÁNGEL CABRERA

How much things can change in a decade! In October 2001, we learned that executives of the energy darling Enron had hidden billions in debt through accounting engineering and dishonest financial reporting. The scandal wiped out thousands of jobs and tens of billions of dollars in shareholder value, including the retirement assets of thousands of employees. It handed a death sentence to legendary accounting firm Arthur Andersen and led to the largest bankruptcy case in U.S. history.

That is, until telecommunications giant WorldCom filed for an even bigger bankruptcy in 2002, a consequence of an accounting fraud that masked hundreds of millions of dollars in losses. WorldCom held this infamous record for only six years, until Washington Mutual and Lehman Brothers imploded amid the subprime mortgage crisis in 2008. That triggered a domino effect that set off a financial market failure, a massive global economic recession, and the loss of trillions of dollars in assets and tens of millions of jobs that are yet to be recovered.

To put it mildly, the management profession has seen better days. It's no wonder that so many people in the media and the public at large believe that greed—not a sense of service to the greater good, hard work, or even fair play—is the defining value of management today.

When these scandals erupted, the knee-jerk reaction of business

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Ángel Cabrera is the president of Thunderbird School of Global Management in Glendale, Arizona. The six Principles of Management Education can be read at www.unprme.org/the-6-principles/index.php.



schools was to deny culpability. Many educators argued that it was not our responsibility to mold the character of business leaders. Even if it were, they said, we could do little to change the minds of people whose value systems had been formed long ago. But, at best, this attitude was self-defeating, akin to admitting that what we do doesn't make much of a difference. At worst, it was irresponsible, because if we don't shape the attitudes and values of managers, who will?

Eventually, these denials led to introspection, heated debate, and, ultimately, action. In the last few years, we've seen those early attitudes begin to change.

In 2005, for example, a group of students at the Thunderbird School of Global Management led an initiative—supported by our faculty, administration, and board—to establish for managers the equivalent of medicine's Hippocratic Oath. At first, many criticized the effort. A *Financial Times* columnist even described it as “positively cretinous.” Yet, in 2008, in the wake of the Lehman Brothers collapse, Harvard Business School's Rakesh Khurana and Nitin Nohria argued that management was in dire need of a code of conduct. Klaus Schwab, founder of the World Economic Forum, separately made the same case.

In 2009, a group of second-year

HBS students convinced more than half of their class to voluntarily take an oath of professional conduct; they even spurred students around the world to join their MBA Oath movement. At the World Economic Forum, the Young Global Leaders developed a Global Business Oath, which they encourage the world's CEOs to take. These initiatives are now coordinated by a new foundation, “The Oath Project,” endorsed by organizations such as Net Impact, the Aspen Institute, and the United Nations.

In 1999, Kofi Annan, then Secretary-General of the United Nations, asked the private sector to join the U.N.'s efforts to endorse the Global Compact. This initiative is a set of principles that support global corporate citizenship and responsible business practices. Since then, more than 5,300 companies in 130 countries have voluntarily signed on. In 2007, the U.N. led an international task force of deans and professors to produce the Principles of Responsible Management Education, which asks business schools to embed global citizenship in their curricula and research agendas. The task force, which I co-chaired, was supported by AACSB, EFMD, and several other organizations. Today, PRME is endorsed by more than 350 schools.

Such initiatives give me hope that business schools are internalizing their obligation to educate not just technically capable managers, but socially responsible leaders committed to creating real value for their companies, their communities, and the world. In the next decade, I hope that a code of conduct for our students—and for the management profession—is no longer viewed as “anti-business,” but as a recognition that business plays an irreplaceable role in creating a sustainable world economy. **Z**

Tests of Time

Three schools that made bold moves in 2001 offer updates on their progress, lessons they've learned, and plans they have for the future.

BY TRICIA BISOUX

BizEd is not the only one in the industry reaching the ten-year milestone. Many significant business school initiatives are as well. When administrators contemplate a ten-year-old program, what aspects seem most important? What adjustments do they think made a difference? What has been the evidence of success? Representatives from the three schools featured here are answering those questions as they look back on the ten-year histories of their initiatives.

In 2001, New York University's Stern School of Business, HEC Paris, and the London School of Economics and Political Science first joined forces to launch TRIUM, their collaborative EMBA program that integrates economic, political, and social policy.



The Wharton School at the University of Pennsylvania in Philadelphia also took a leap across the United States to start a second campus in San Francisco, California.

The Indian School of Business made perhaps the biggest leap of all—launching its entire enterprise. One of *BizEd*'s very first features discussed the creation of ISB, whose Hyderabad campus was inaugurated in June 2001. The school was formed when a number of American citizens of Indian heritage, executives, faculty, and multinational corporations worked together to create a globally focused, culturally sensitive, Western-style institution.

There was something about starting a new business school venture in 2001 that seemed especially meaningful, for reasons that were both exciting (the first year of the new millennium) and unexpectedly tragic (September 11, 2001). At times, there were certainly reasons to be concerned about the outcome, these educators emphasize. But as these three programs weathered local, national, and global uncertainties, the administrators and faculty responsible for their success were able to learn valuable lessons, adapt to trends, and build significantly on what they started.



COURTESY OF THE WHARTON SCHOOL

A rendering of a 75-seat classroom in Wharton San Francisco's new facility. Desk surfaces will be equipped with touchscreen capabilities to control the room's video and projection technology.

The Connected Campus

Wharton San Francisco
San Francisco, California
Launched in August 2001

When the Wharton School decided to open its 20,000-square-foot facility—then called Wharton West—on the top floor of the Folgers Building in San Francisco's business and financial district, it caught the attention of the industry. At the time, several East Coast schools had set up research centers or training programs in California. But Wharton was offering its complete executive MBA, taught by its own faculty using its Philadelphia curriculum, in its new San Francisco home.

Wharton entered the California market for several reasons. It wanted to offer opportunities for

students interested in industries heavily represented on the West Coast, such as sports, entertainment, and the booming tech sector in Silicon Valley. It wanted to provide a more accessible Wharton campus for students and alumni based on the West Coast and in Asia. Finally, it wanted to provide a home base for faculty who were involved in research and consulting projects in the region.

Although the facility opened just prior to September 11, that event did not have as much direct impact on the program's early days as the burst of the dot-com bubble, says Leonard Lodish, founding vice dean of Wharton San Francisco. He remembers that there was "a lot of anguish" when a significant number of students lost their jobs

ONLINE LEARNING

"Business schools should offer courses in design. Everything I do in my non-Dilbert-related business involves some form of design. ... I'm always looking at packaging, I'm always looking at Web sites, I'm always looking at documents. Everything is designed."

— Scott Adams, "Funny Business," November/December 2002
(then and now, author of the "Dilbert" comic strip)

WORDS
OF WISDOM

as their companies downsized or folded. That first cohort had more than 60 students, and nearly a quarter of them were affected. Faculty and staff spent a great deal of time supporting those students as they found alternate employment.

In the years since, Lodish emphasizes, Wharton has ensured the success of the San Francisco campus by making sure its curriculum, faculty, and administration stay closely linked to its Philadelphia roots. “The two cultures must be the same,” he says. “To this day, our admissions decisions for both our East and West Coast campuses are made by the same people, in the same room.”

As it celebrates its tenth anniversary, Wharton San Francisco now has more than 700 alumni. Plus, it’s making another move—into a brand-new facility. Opening in January 2012, Wharton’s new San Francisco campus will occupy the historic Hills Brothers Building, located about two blocks away from its original campus. The expansion comes in conjunction with the school’s plans to increase its executive education and entrepreneurial programs in San Francisco, as well as expand its slate of speakers and events.

Wharton didn’t make the move just to have a larger facility, says Deirdre Woods, Wharton’s chief information officer. The school also welcomed the opportunity to have a technological “blank slate,” where it could build an all-digital learning environment without having to retrofit an existing infrastructure—in essence, to fully embrace a 21st-century educational model. A digital facility will support Wharton’s objective to move beyond the idea of “blended learning” to “con-

nected learning,” in which students, faculty, and guests can connect to each other quickly, easily, and seamlessly, no matter what kind of technology they are using or where they are in the world.

“We’ve all been to presentations where speakers bring their PCs or Macs, and then they fumble around because they don’t have the right connector or the screen size is wrong,” says Woods. “These may seem like small things, but they have an impact on the delivery.”

Designers of the new facility

The true star of the space, says Woods, is high-definition video technology—and lots of it. Cameras are built into all of the flat screen monitors. All group study rooms include high-definition videoconferencing equipment to allow teams to collaborate with teammates anywhere in the world. Each room also includes tabletop touchscreen technology that enables students and faculty to project and interact with content or capture it digitally. The spaces are “production ready” for stream-



Wharton San Francisco’s new location, the historic Hills Brothers Building.

COURTESY OF THE WHARTON SCHOOL

wanted to steer clear of any communications or collaborative technologies that require special accommodations or connection points. Telepresence, for instance, is a wonderful technology, but because of its size and expense, it has too many limitations on who can use it, Woods points out. Instead, the new facility is equipped with more generic connections that can accommodate any device.

ing online video, broadcasting classes online, or conferencing guest speakers from around the world into the facility’s amphitheater classroom.

“Our students and faculty will be using a range of devices, including laptops, iPads, and smartphones. They’ll be using different applications like Skype or Adobe Connect to collaborate with team members who aren’t in the same

room,” says Woods. “We wanted the space to support all of that.”

Another crucial aspect of the new facility’s design is that it has been “future-proofed” as much as possible, says Woods. The designers did their best to build systems that could accommodate new technologies by changing only a few wires. In addition, they avoided trying to do too much to customize the technological features.

If the last ten years have taught educators anything, says Woods, it’s that many technologies become obsolete in months, not years. If a school invests too heavily in creating the “perfect” learning environment for today, it will be that much more expensive to accommodate advanced technologies tomorrow.

Today’s business schools will find it increasingly necessary to create dynamic, flexible, and functional learning spaces that can easily adapt as educational methods change, Woods emphasizes. “We can’t predict what’s coming next. But we do know that whatever it is, it will be Internet-connected,” she says. “Eighteen months from now, we might be talking about flexible screens or holograms. We want to be able to scale anything that connects to our classroom to the right formats.”

Timing Is Everything

TRIUM Global Executive MBA Launched in September 2001

It was mere coincidence that the TRIUM Global Executive MBA accepted its first cohort of students on September 9, 2001. Those students were assembled at the London School of Economics and Political Science (LSE) for their first two-week session.

The timing was difficult, but the program’s focus actually became even more applicable in a post-9/11 world, says Erin O’Brien, associate dean of TRIUM and global programs at NYU Stern. “TRIUM integrates international economic, political, and social policy in the business curriculum through the participation of LSE,” says O’Brien. “The importance of understanding the sociopolitical and economic dimensions of business has only increased. The complexity of operating in a global world has created a critical need for executives who can manage in this environment and have the ability to lead in complex or ambiguous circumstances.”

According to the program’s original design, TRIUM students spend two-week modules at each

participating school—LSE, NYU Stern, and HEC Paris. They return to NYU Stern for the program’s concluding two-week session.

In between these meetings, they also make two one-week trips to emerging markets. This model has remained fairly constant. However, since 2001, the program has changed in four significant ways in response to changes in the global environment:

- When TRIUM first began, the one-week modules in emerging markets were held in Brazil and Hong Kong. As Asian markets



The deans and heads of HEC Paris, NYU Stern, and London Business School take the stage at a ceremony during TRIUM 10 in Paris.

GLOBALIZATION

“In a post-September 11th world, we have been made more conscious that for some in the world, ‘globalization’ is synonymous with ‘American imperialism.’ ... We are compelled to cultivate an increased sensitivity to cultural and social issues in our students.”

— Louis E. Lataif, *Your Turn*, March/April 2002
(then dean at Boston University in Massachusetts;
recently retired from that position but still serving on a number of boards)

WORDS
OF WISDOM

rose in importance, the alliance moved those modules to their current locations in Chennai, India, and Shanghai, China. The final two-week session will now be held in Paris.

- The curriculum has been expanded to focus on leadership and professional development.
- TRIUM's capstone course has been expanded from a strategic exercise into a full-blown incubator and accelerator for global businesses, says O'Brien. Today, alumni are invited to act as investors, mentors, and experts to help students take their business ideas from conception to launch as the culmination of their studies. So far, several of their ideas have resulted in businesses that remained in operation after they graduated.

- Finally, starting with the class of 2008, TRIUM began purchasing carbon offsets, explains Bertrand Moingeon, deputy dean at HEC Paris and co-founder and vice dean of TRIUM. "One of the negative externalities of globalization is the increasing level of greenhouse gases in the atmosphere. Because of the global nature of our student body, we estimate that the program now generates between 800 and 1,000 tons of carbon a year," he says. "We decided to purchase carbon offsets from Carbonfund.org, which has one of the most comprehensive verification schemes in the industry, to support renewable energy projects." This step was important, he adds, because it helped the program balance its mission to cultivate multinational business and social networks with its desire to encourage global corporate responsibility.

The makeup of TRIUM's



COURTESY OF NEW YORK UNIVERSITY

More than half of TRIUM's 500 alumni came to Paris to celebrate TRIUM 10, the program's 10th anniversary event.

student cohorts, which average about 51 students, also has changed dramatically. In 2001, approximately half the students in TRIUM came from North America—today, that number is less than 20 percent. Students now come from more than 30 countries, and many have lived in countries other than their own.

The international backgrounds of the students work with the program's design to cultivate global collaboration and business development, says O'Brien. For example, TRIUM students have funded a microfinance initiative in India, established an investment bank in Ghana, and opened retail centers in Russia.

This past summer, more than half of the program's nearly 500 alumni came to Paris for TRIUM 10, the alliance's tenth anniversary celebration. And expansion plans are in the works—the alliance

plans to add a second cohort to the program in September 2012.

To maintain such a long-term alliance, O'Brien and Moingeon stress the need to develop a high level of trust among the partners. "This allows us to adapt the program to the needs of the students and the changes in the market—for example, changing the location of the emerging market modules," says O'Brien. Good governance is also crucial, Moingeon adds. The deans of all three schools have appointed program and academic directors who work on behalf of the alliance. That core staff coordinates resources among the schools to ensure the program's success.

"The three schools are ready to do what is good for TRIUM, not just their own interests," says Moingeon. "We have a shared vision for the value we wish to deliver and a shared commitment to identify the best talent."

Gaining Momentum

Indian School of Business
Hyderabad, India
Launched in June 2001

At ISB's opening ceremony, Atal Bihari Vajpayee, who was then the prime minister of India, called the school "a gift to the nation." That was a remarkable description, but also presented the school with a remarkable responsibility in terms of what it was expected to accomplish for so large and complex a country.

However, the new venture would have help. ISB's operations were being overseen by the Wharton School and by Northwestern University's Kellogg School of Management in Evanston, Illinois. When students graduated, their diplomas would carry the seals of Kellogg, Wharton, and ISB. Today, ISB still enjoys the participation of Kellogg and Wharton but is further affiliated with London Business School; Massachusetts Institute of Technology's Sloan School of Management in Cambridge; and The Fletcher School, a graduate school of international affairs, at Tufts University in Medford, Massachusetts.

From the start, ISB's model embraced the global economy and American style of business education in an Indian-specific context.



A rendering of ISB's new campus, which will open in 2012 in Mohali, India.

Speaking in 2001, Kellogg professor and ISB advisory committee member Bala Balachandran said, "Students will be globally oriented but able to analyze local problems." Students could receive that education through a curriculum that included a one-year post-graduate program (PGP) in management, equivalent to an MBA; a PhD program; and executive education.

In the intervening years, the school has formed academic centers for entrepreneurship; analytical finance; leadership, innovation, and change; global logistics and manufacturing strategies; real estate and infrastructure; and IT and the networked economy. Its latest two centers indicate the school's growing focus on emerging markets. The Centre for Emerging Market Solutions opened in March 2009, and the Centre for Case Development in October 2009.

ISB's short history has included three distinct five-year phases, says its dean Ajit Rangnekar. The first

was 1996 to 2001, when the school was still in its planning stages. The second phase, from 2001–2006, was affected significantly by 9/11. "Those years were a period of struggle, with the shock of 9/11 casting its shadow in the first year of ISB's operations," says Rangnekar. He adds that the school was able to weather that period because of the strong support it received from its founding schools, its advisory board, and businesses from around the world.

From 2006 to 2011, the school has grown significantly. In addition to opening several of its research centers, it has seen its nearly 50 faculty become more internationally known, their research appearing in global journals and generating the interest of governments and industry, says Rangnekar.

Its student and alumni base also has expended rapidly: Since its inception, ISB has graduated more than 3,500 PGP students and trained more than 14,000 executive education participants. It recently

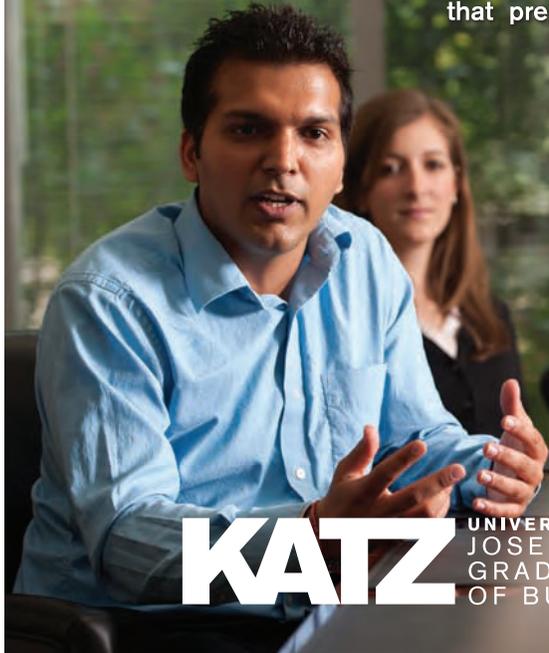
GLOBALIZATION

"Multinational organizations today want people who can bring a true global perspective to their roles, not just because they've learned about it at business schools, but because they've experienced multicultural perspectives to problem-solving first-hand."

— Gabriel Hawawini, "The Challenge of Change," November/December 2001
(then the dean and now a professor at INSEAD in France)

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At Katz, we get you ready for tough audiences of every type—and size. We insist on a cross-functional understanding of business fundamentals so when you say, “I see what you mean,” they’ll believe it. We immerse you in the kind of real business experiences that prepare you to hit any curve ball. Are you ready? You can be.



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accepted the first class to its new 18-month post-graduate program in management for senior executives, ISB’s equivalent to an executive EMBA.

And like Wharton with its San Francisco campus, ISB is ready to make its next big move. In 2012, it will open a second campus 1,800

miles from Hyderabad in Mohali, a city of more than 120,000 people in northern India. The Mohali campus will house four institutes focused on issues important to India’s development: the Bharti Institute of Public Policy, the Max Institute of Healthcare Management, the Munjal Global Manufacturing Institute, and

the Punj Lloyd Institute of Physical Infrastructure Management.

Rangnekar hopes that, with its two campuses, ISB will find its next five-year phase is defined by the impact it makes on its students, industry, and the academic community. He also hopes to see the school strengthen its role as a resource for those interested in emerging economies such as India.

Rangnekar especially wants ISB’s graduates to solve the many social problems that India now faces. “We want to make an impact on the government’s effort to improve the living standards of the people, as well as society itself, as it grapples with social inequity. The next generation of business schools should transform not just the lives of students, not just industry, but the society that we live in. I envision ISB playing its part in this transformation, as a change agent, not just in India, but all over the world.” 

ISB’s home campus in Hyderabad



THEN & NOW

Data from a variety of sources show how business schools have grown, globalized—and in some areas, remained generally unchanged—in the past ten years.

AACSB's Global Membership		
	2001	2011
<i>Total educational members</i>	820	1,239
U.S.	643	660
Rest of world	177	579
Countries/territories represented	50	81
<hr/>		
<i>Total accredited members</i>	405	633
U.S.	382	482
Rest of world	23	151
Countries/territories represented	14	41

While AACSB's membership has grown in countries around the world, the biggest jump came in Asia. In 2001, the association had 22 Asian members; in 2011, there were 216. Numbers also soared for European members (from 75 to 215) and those from Oceanic countries (from 12 to 38). (Source: AACSB International Membership Data)

During the first decade of the 21st century, business schools reacted to the rapid and seismic shifts in business by introducing new courses, new programs, and new delivery systems. Yet despite these sometimes sweeping physical and curricular changes, today's business schools still have much in common with their counterparts of ten years ago. Data from AACSB International's Knowledge Services department present a portrait of member schools then and now, and in many areas, the portraits are very similar.

But even in the ivory tower, where implementing change can be agonizingly slow, there's been movement in key areas: An increased

number of women are enrolling in PhD programs and teaching at business schools. More schools are placing a stronger emphasis on research. More schools are effectively creating more memorable brands.

One of the strongest general trends in management education over the past ten years has been the push toward globalization. Schools have developed international partnerships, recruited heavily from overseas, and built their own campuses in foreign countries. And schools from around the world have stepped forward to become major players.

For instance, ten years ago, only 22 percent of AACSB's educational members were located outside the U.S. By 2011, that number had risen to 47 percent. The greatest change has been in Asia, where there's been an 882 percent jump. Membership has also surged in Europe and Oceanic countries.

There has been similar growth in numbers of non-U.S. schools that have achieved AACSB accreditation. In 2001, not quite 6 percent of the accredited schools were from outside the U.S. In 2011, that number rose to almost 24 percent. Again, the greatest concentration of new accreditations occurred in Asia and Europe.

More schools in the U.S. also are globalizing in terms of the students they enroll and the faculty they hire. According to AACSB data that relied on a sample of approximately 100 schools, only 4 percent of the MBA students

AACSB Membership Past and Present		
	in 2001	in 2011
Percent of Schools...		
With master's programs	88%	94%
Considered small (with 35 or fewer full-time faculty)	33%	31%
With high emphasis on teaching	91%	88%
With high emphasis on discipline-based research	41%	64%
With named or distinctly branded schools	35%	48%
Percent of Faculty Who Are...		
Full-time with tenured or tenure-track positions	83%	65%
Full-time	82%	80%
Full-time equivalent or part-time	17%	19%
Full-time with doctoral degree	86%	76%
Academically qualified	(data not collected)	62%
Professionally qualified	(data not collected)	32%
Percentage of Women Among...		
Faculty	23%	30%
Deans	16%	18%
Undergraduate degree recipients	46%	45%
Generalist master's degree recipients	36%	36%
Specialist master's degree recipients	56%	48%
Doctoral degree recipients	34%	38%

How has AACSB membership evolved in the past ten years? One major change reflects the makeup of the membership itself. In 2001, the association's Business School Questionnaire only collected data from U.S. members; in 2011, responses reflect data from a much more global membership pool. Thus, information shown in these tables might not necessarily indicate trends among business schools internationally as much as they reflect trends among AACSB members.

The sharpest changes are visible in two areas. In 2011, a larger proportion of member schools reported an emphasis on discipline-based research, likely reflecting the priorities of new schools added since 2001, rather than changes within existing member institutions. In addition, there has been a noticeable drop in the percentage of full-time faculty with doctoral degrees, most likely arising from the increased number of professionally qualified faculty that can be found in today's business schools. (Source: AACSB International Business School Questionnaire)

WORDS OF WISDOM

TEACHING & LEARNING

"Regardless of how comfortable administrators, faculty, and students may be with the traditional functional silos, most recognize that an integrated approach to learning is more relevant to the challenges businesses now face."

— Stephen A. Stumpf and Walter G. Tymon Jr.,
"Connecting the Dots," January/February 2002
(then and now, both with Villanova University in Pennsylvania)

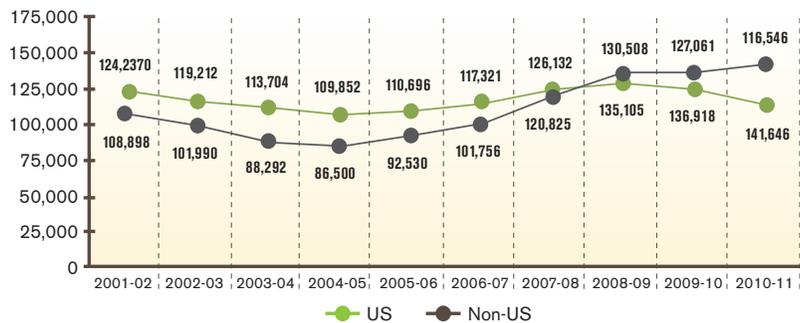
enrolled in U.S. schools had non-U.S. citizenship in 2001. That number is 13 percent in 2011. In 2001, 3 percent of full-time faculty at AACSB member schools in the U.S. were non-U.S. citizens without permanent visas. In 2011, that number had risen to 8 percent. In 2001, only 43 percent of U.S. schools responding to AACSB surveys had at least one full-time faculty member from outside the country, compared to 58 percent in 2011.

Globalization is occurring even faster elsewhere. In 2011, member schools outside the U.S. reported that 30 percent of their full-time faculty members claimed countries of origin other than the country where the schools were based; 84 percent reported at least one faculty member with an origin outside the host country.

The Globalization Of Business Education

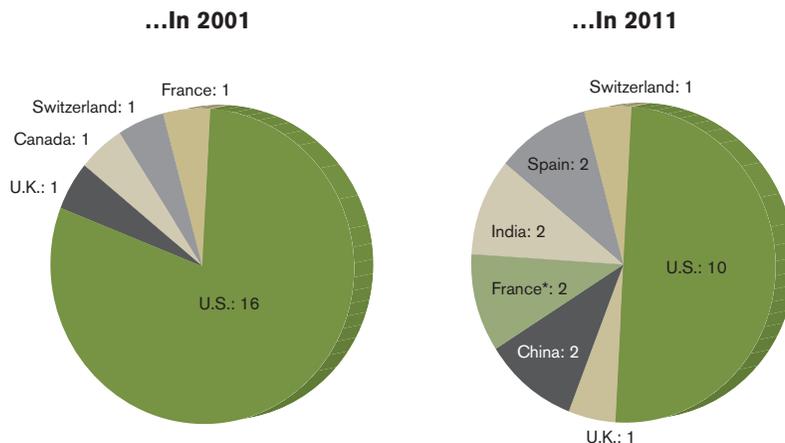
By other measures as well, international business schools have shown tremendous growth in quantity, visibility, and reputation. For instance, in 2001, only four of the top 20 schools in the *Financial Times*' Global MBA Rankings were located outside the U.S. In 2011, half of the top 20 schools—includ-

GMAT Goes Global



In the past ten years, the number of non-U.S. candidates taking GMAC's Graduate Management Admission Test has outpaced the number of U.S. test-takers. (Source: Profile of GMAT Candidates)

The *Financial Times*' Top 20



The numbers show how many top-20 schools came from which countries over the past ten years. While U.S. schools dominated the rankings ten years ago, now half of the top schools come from Europe, Asia, and the rest of the world. (Source: The *Financial Times* Global MBA Rankings for 2001 and 2011)

*One school has multiple locations in France and Singapore.

TEACHING & LEARNING

“Invariably, there will be some resistance to interactive teaching—from both students and teachers. It’s easier for a professor to prepare a lecture, go into the class, and pour the knowledge into students’ brains. Also, it’s easier for the student to copy it down and regurgitate it back on a test. But what we want is not necessarily what we need.”

— Yezdi K. Bhada, “Top of the Class,” November/December 2002 (then with Georgia State University, now retired)

WORDS OF WISDOM

Facts and Figures

■ In 2001, the largest known private donation to a business school was \$62 million, given in 1999 to the University of Virginia's Darden Graduate School of Business Administration by Frank Batten Sr. By 2011, at least five gifts had surpassed that record, the largest being the monumental \$300 million given by the David G. Booth family in 2008 to the University of Chicago's Booth School of Business.

(Source: AACSB International Resource Center)

■ The demographics of GMAT test takers appear to be skewing younger. According to GMAC, the number of people over 30 who have taken the GMAT test has remained fairly flat from 2000–2001 to 2009–2010. There has been some fluctuation among those in the 24-to-30 age range—probably influenced by ups and downs in the economy. But there has been significant growth among those younger than 24 from just over 25,000 test takers annually to around 75,000. This may suggest that more students are heading straight into their MBA studies from BBA programs or other undergrad degrees.

(Source: Profile of GMAT Candidates)

■ In the past ten years, the number of AACSB member schools offering online programs has increased at almost every level. From 2001 to 2011, the number of schools with online undergraduate programs jumped from 1.4 percent to 9.3 percent. For generalist master's degree programs, the number went from 7.8 percent to 19.1 percent; for specialist master's degrees, from 4.0 to 14.7 percent. Only online doctoral programs registered a small decline, going from 0.9 percent to 0.0 percent.

(Source: AACSB's Business School Questionnaire)

The Five Biggest Program Increases		
	2001–2001	2010–2011
Undergraduate		
Entrepreneurship	21.5%	27.0%
Supply chain/logistics	10.6%	14.9%
MA Specialist		
Management	11.1%	15.0%
Real estate	4.1%	7.7%
Finance	28.7%	31.5%

ing three that weren't even on the top 100 list in 2001—are located outside the U.S. Others absent ten years ago, but now on the list, include schools in Argentina, Costa Rica, India, South Africa, South Korea, Germany, and the United Arab Emirates. Those newcomers are crowding out the old: Nine schools in the top 20 in 2001 were no longer there in 2011.

What's also interesting is the number of today's high-profile business schools that now have multiple international campuses, a situation that was much less common in 2001. For instance, INSEAD has locations in France, Singapore, and the United Arab Emirates; CEIBS has locations in China and Ghana. In addition, the Fuqua School of Business at Duke University has launched efforts to develop a "global campus network" with locations in several countries, including the U.K., the UAE, India, Russia, and China.

Yet another measure under-

scores how much management education has globalized in the past decade. A comparison chart compiled by the Graduate Management Admission Council tracks the citizenship of individuals who have taken the GMAT test in the last ten years. During 2000–2001, about 20,000 more Americans than non-Americans took the test; but by 2009–2010, non-U.S. test takers outnumbered those from the U.S.

Program and Enrollment Trends

Globalization isn't the only story when it comes to the changing face of business education. AACSB's annual Business School Questionnaire yields insights into the types of programs that are gaining and losing popularity. (All the following numbers are drawn from a controlled set of 376 schools that participated in AACSB's BSQ both in 2001–2002 and 2010–2011. This set represents only U.S. schools, since schools outside of the U.S. did not participate in the BSQ in 2001–2002.)

General Business Degrees/Concentrations				
	Undergraduate	MBA/MA Generalist	MA Specialist	Doctoral
2001–2002	40%	67%	4%	3%
2010–2011	49%	75%	5%	15%

Across all program levels, the major trend is the rise of general business degrees and concentrations. It seems likely that business schools have been consolidating programs and majors so they can offer the greater student population access to general business programs, while beefing up concentrations in specific areas that play to their strengths.

While there *were* increases in certain program specializations, they occurred in only a few disciplines, tended to be small, and were unevenly represented across levels. Niche specializations showed the strongest gain at the master's level, where total enrollment in specialist programs rose from 21 percent in 2001 to 27 percent in 2011. A handful of undergraduate programs also saw gains.

On the other hand, many fields, such as CIS/MIS and production/operations management, saw drops at all program levels.

It is important to keep in mind that, during this period of time, categories have evolved, and shifts in program offerings may be the result of changing boundaries between disciplines. For example, production/operations management most likely has been affected by growth in programs devoted

Programs Experiencing Decreases

Field/Discipline	Undergraduate 2001-2011	MBA/MA Generalist 2001-2011	MA Specialist 2001-2011	Doctoral 2001-2011
CIS/MIS	70%→60%	36%→23%	39%→28%	64%→43%
Production/ operations management	26%→17%	14%→8%	6%→4%	42%→20%

Enrollment by Degree

Degree level	2001-2002		2010-2011	
	Full Time	Part Time	Full Time	Part Time
Undergraduate	84%	16%	86%	14%
Master's generalist	40%	60%	45%	55%
Master's specialist	48%	52%	68%	32%
Doctoral	87%	13%	91%	9%

to supply chain management. The fluctuations in CIS/MIS programs undoubtedly were influenced by the dot-com boom, which led to inflated numbers of programs, and subsequent bust.

Another interesting trend revolves around changes in full-time and part-time enrollments. While the number of students pursuing specialized full-time degrees has soared in comparison with the relatively steady enrollment rates in other degree categories, enrollments in part-time programs have dropped 20 percent. One possible explanation is that more member schools are offering more full-time programs. But another likely explanation is that more unemployed individuals are enrolling in full-time programs—and choosing

specialized disciplines where they expect to find better job prospects after graduation.

Now and Later

Business schools are not only responding to changing enrollment patterns and the demands of globalization, they're also adapting to other trends, such as the pressure to offer more courses online and the changing demographics of student bodies.

And ten years from now, they'll be reacting to new pressures and unexpected shifts in market demand. A survey of AACSB members in 2021 may contain numbers that are very similar to the ones collected here—but it's a sure bet that some of the new percentages will surprise us all. 

ETHICS & CORPORATE SOCIAL RESPONSIBILITY

“Sustainable enterprise is a lot like globalization was ten or 15 years ago. In the early stages, business schools handled it by hiring a few faculty who were supposedly specialists, and they had one separate class on global enterprise. In time it became integrated. And I think that’s what will happen here. There’s really no other way!”

— Stuart Hart, “Taking Responsibility”
(then with the University of North Carolina in Chapel Hill,
now with Cornell University in New York)

WORDS
OF WISDOM

BIG Questions

Business educators will face difficult questions in the coming years about how to strengthen their industry in uncertain times. But there are many promising answers—some presented here—if schools are willing to change.

BY JOHN FERNANDES

Today, there are more than 13,700 business schools in the world, about three times the number that existed 25 years ago. But just think of the global developments that have increased the demand for management education so dramatically—the breakup of the Soviet Union, the surge of industry in China, the economic growth in Brazil and India, the increased importance of emerging markets. Our industry has evolved tremendously to produce graduates whose expertise and entrepreneurial spirit are essential to fueling global economic growth.



Still, growth alone won't enable business schools to meet the needs of business in such an increasingly complex political, technological, and culturally rich global landscape. It's not enough for business schools to produce the volume of students the world needs. They also must provide the *right kind* of high-quality graduates their markets demand, regardless of their missions, size, budgets, or geographical locations. Whether earned from an internationally ranked school, a small regional program, or brand-new school in an emerging economy, a business degree must remain a hallmark of a strong and skillful leader.

That objective, however, has become even more difficult to achieve in 2011 than it was in 2001. Business schools today are being asked to expand and reinvent their programs when so many have seen their funding decrease. They must teach an ever-expanding range of skills when students are demanding shorter and more convenient formats for program delivery. And they must find academically qualified faculty when those faculty are scarce.

That leaves the industry asking the obvious question: How?

Business educators face not only big questions, but also big opportunities. They can adopt innovative approaches to teaching and faculty development and join forces in ways that many schools never have before. It is my belief that by sparking dialogue, trading ideas, and embracing educational innovations, business schools can advance management education as far in the next decade as they have in the last.

faculty by supporting Bridge Programs, which transition academics from other disciplines into business scholarship. These programs are offered through schools such as Virginia Tech, the University of Toledo, the University of Florida, and Tulane University in the U.S., and Grenoble Ecole de Management in France. Such efforts add to the ranks, but still make only a small dent in the problem.

Possible Answer:
**Undergraduate Tracks
To the Doctorate**

The traditional model for the doctorate degree does not have to be the only way to achieve academic excellence. Academic tracks for undergraduate students could provide a nontraditional but effective alternative. Such tracks could shorten the time it takes to complete a doctorate, reduce costs, preserve academic rigor—and, most important, significantly increase the rate of PhD production.

Through such tracks, undergraduates could be prepared for an academic orientation earlier in their careers. As a result, upon receiving their bachelor's degrees, they could be only two or three years away from completing their PhDs, including their dissertations.

Some believe that undergraduates aren't yet ready to pursue serious research. That may be true. But they *are* ready to develop their research skills and prepare for the rigors of an academic career. Once they enter graduate school, they could hit the ground running.

This model would offer business schools three significant advantages. First, such a model would gener-

Question:
**How Do We Find
Excellent Faculty?**

Business schools have been dealing with the doctoral shortage for many years—and the shortage is likely to worsen. Conventionally structured doctoral programs, our primary source of academically qualified (AQ) faculty, represent a long-held tradition and have offered incredible experiences for academics for many years. Unfortunately, these programs can be lengthy—students take seven years, on average, to complete their doctoral degrees. That rate of production is insufficient to produce enough graduates to meet demand.

When we take into account the growth in business school formation in developing nations, the shortage is of even greater concern. The size of existing doctoral programs is so small, and the time

it takes to complete a PhD so great, the industry cannot produce enough doctorally qualified faculty to serve the needs of schools in the developed world, let alone those in emerging markets.

Moreover, the scarcity of AQ faculty allows them to command salaries that can strain the budgets of even the richest institutions. It's not unusual for an accounting professor teaching two courses in a nine-month academic year to earn the equivalent of US\$175,000. Not surprisingly, that puts AQ faculty effectively out of reach for less prosperous schools.

The call for schools to create more doctoral programs with larger cohorts has gone largely unheeded. Many schools are understandably hesitant to begin new doctoral programs or expand existing ones because they are so expensive to maintain. AACSB has tried to increase the numbers of AQ

ate more AQ faculty over the long term and help business schools at all levels more easily maintain academic quality in their programs. Second, undergraduate academic tracks would expose students to the possibilities of an academic career much earlier in the career selection process—currently, most faculty do not broach the topic of doctoral study until well into the MBA program, when many business students' plans are already set. Finally, undergraduate academic tracks eventually could become an efficient faculty development solution for schools in emerging markets.

Question:
How Do We Ensure the Quality of Graduates?

In the coming years, management education may face a bigger challenge than simply finding qualified faculty. The industry also will face an influx of graduates from new business schools, many of which are operating outside of internationally accepted standards of pedagogical practice. To help ensure the quality of graduates produced by these schools, the industry requires new quality assurance products that meet the needs of the growing community of business schools in the developing world.

Consider this: All AACSB-accredited schools represent 41 countries, but schools in need of quality assurance products and continuous improvement opportunities are located in 200. Even when taken together, major accrediting bodies such as AACSB International, EFMD, and AMBA accredit fewer than five percent of the world's business schools. The remaining 95



percent are not accredited by, nor do most maintain a membership with, any international accreditation organization. **Many** of these schools are self-developing their curricula on the boundaries of the industry.

What might critics say about a discipline in which the vast majority of graduates are produced by educational providers that do not follow generally accepted standards? Many people may begin to question the quality of those graduates. This situation threatens to dilute the value of business degrees granted by all institutions.

Our current systems of quality assurance perpetuate the problem. Many accreditation standards rely heavily on the intellectual contributions of AQ faculty, which are generally found in countries that produce research-oriented PhDs. And those countries, in large part, are found in the developed world. That creates a system where the majority of schools in Africa, India, and other economically emerging regions are essentially locked out of the quality assurance process.

There is no doubt that the intellectual contributions of AQ faculty are *critical* to management education and a cornerstone to many business programs worldwide. But should every quality assurance mechanism available to business schools emphasize doctoral faculty and scholarly production? I don't believe so. Excellent teaching and educational outcomes can be accomplished by non-AQ faculty as well.

Possible Answer:
New Quality Assurance Products

Today's accrediting bodies have the potential to serve all management education institutions, but only by designing quality assurance standards that meet the needs of our growing industry. For instance, AACSB International is currently working to design such a product to apply primarily to schools in the developing world. Our objective is not to dilute the power of accreditation by any means. On the contrary, we want to strengthen our credential by doing more to ensure the quality of graduates from schools in those 200 countries, including those in emerging markets. A new quality assurance mechanism—one that better suits the teaching missions of these schools—would help them design curricula that meet industry standards and provide motivation for them to engage in continuous improvement. More important, it could do so without competing with our full AACSB accreditation standard.

There's a lot more going on in management education than what's happening at the top schools in the world. In fact, many schools with low ratios of academically qualified to professionally qualified faculty have an incredibly high impact on education—and on the economic growth of their regions.

That impact will only become more important in the coming years. Approximately 250 million people in a sample of 59 economies were engaged in “early-stage entrepreneurship” in 2010, according to the Global Entrepreneurship Monitor's 2010 Global Report

sponsored by Babson College in the U.S. and Universidad del Desarrollo in Chile. Among this group, 63 million expect to hire five or more employees in the next five years—and 27 million expect to hire 20 employees or more. That is a powerful engine for economic growth. It's at this level—in small entrepreneurial enterprises with relatively few employees—that business education can have its highest impact. Business schools are in the best position to produce a new generation of entrepreneurs who will help advance global prosperity.

With new quality assurance mechanisms, we can create a community that does not lock out schools that lack the resources to hire AQ faculty. Instead, we can invite them into our conferences, seminars, and forums, and offer them recognition when they align their programs with generally accepted educational standards. And we can do so while still allowing all schools to differentiate themselves in the marketplace.

New quality assurance mechanisms also would offer another distinct advantage to all schools, whether they're located in Latin America or Africa, Eastern Europe or India. Such systems would make

it much easier for schools to find meaningful partnerships. Currently, with so many business schools worldwide, there is no easy way to determine the quality and missions of schools that now operate outside of our accreditation system. For instance, a small school in the U.S.—even if accredited—may find it difficult to get the attention of a potential partner in China. A more robust quality assurance system could make it that much easier for schools to find others across the world with similar missions and attributes.

Even though different schools have different missions, I believe that most schools have similar objectives—to produce graduates with the expertise that employers want and that their regions often desperately need. By creating quality assurance products that serve a wider range of needs in the market, accreditation organizations can help business schools better achieve their individual missions while continuing to advance the industry.

Question:
How Can We Do It All?

Talk to leaders at business schools at all levels, and they'll express

similar concerns: How can their schools pack a traditional two-year MBA program with *everything* employers want graduates to know? How can they teach the core disciplines, along with soft skills such as social responsibility and ethics? How can they fit in meaningful global experiences and internships? How do they improve students' communication and interpersonal proficiency, and inspire them to be more creative, innovative, and reflective? And how do business schools teach all of these things even as their students are demanding shorter programs and their resources are becoming increasingly constrained?

Possible Answers:

- **Interuniversity Alliances**
- **Technological Adoption**
- **Lifelong Learning**

Business schools, no matter their size, location, or budget, have the ability to expand their teaching and collaboration activities significantly. They need only look beyond their campuses—and their students' graduation dates—to teach students everything they need to know.

Develop interuniversity alliances. Partnerships are becoming

THE FUTURE OF BUSINESS SCHOOLS

"Twenty years from now, I don't expect us even to have university degrees. Instead, I think on the wall behind people's desks will be a series of certificates that come from their courses, mostly online, that fulfill specific needs relative to their various projects."

— Tom Peters,
"Tom Peters: Uncensored," May/June 2002
(then and now, author and business guru)

WORDS OF WISDOM

increasingly commonplace in the industry. But it may be time for business schools to develop fewer, more multifaceted alliances.

Two years ago, Babson College in Wellesley, Massachusetts, formed just such a collaborative relationship with Wellesley College, a nearby liberal arts institution, and F.W. Olin College of Engineering in Needham, Massachusetts. The alliance formalized an existing arrangement that allows students enrolled at one institution to take courses at the other two. Students at all three schools also work together on projects and share campus services.

At a press conference announcing the agreement among the schools, Richard Miller, president of Olin College, said that the alliance was the “celebration of an intent ... to do something really special that none of the colleges can do alone.” That statement reflects a struggle that most business schools are facing today—how to do it all, even if their strengths lie elsewhere. The Babson-Wellesley-Olin partnership is an example of how schools with different but complementary programs can share the resource burden and expand educational opportunities for students in significant ways.

What such alliances can help business schools achieve on a local level can also work on a global level. Today, it's common for business schools to have a large number of international partners. But is that necessarily the best model for global education? It's true that



DAVID MALAN/GETTY IMAGES

when schools establish a wide array of partnerships, they can offer students and faculty more varied global experiences. But unless schools have the resources and personnel to manage and develop that many partnerships effectively, those experiences may not be as rich as they could be.

Tri-continental alliances—similar to the Babson-Wellesley-Olin arrangement, but on a global scale—would allow schools to create economies of scale and take better advantage of each other's strengths. For example, a tri-continental collaboration between schools in Europe, Japan, and the U.S. could allow students to travel from campus to

campus more frequently. They could take courses at all three in person or through the use of digital technologies, or even earn joint degrees.

Such alliances also would allow schools to expose students to cohorts in different parts of the world in long-term interactions, rather than in only a single course or exchange. Students would have more opportunities to use the electronic communication tools that simulate global business environments. And, by graduation, students would be more intellectually and psychologically ready to do business in a range of geographic regions.

Some business schools already have taken steps in this direc-

tion. Although it is not on three continents, the TRIUM Global Executive MBA program is a curricular collaboration between New York University's Stern School of Business in the United States, London School of Economics and Political Science in the United Kingdom, and HEC Paris in France. OneMBA, an executive education program that spans four continents, is an alliance between five schools: the Chinese University of Hong Kong in Asia; the Rotterdam School of Management at Erasmus University in Europe; Escola de Administração de Empresas de São Paulo da Fundação Getúlio Vargas in South America; and Tecnológico



CORBIS/GLOW IMAGES

de Monterrey Graduate School of Business Administration and Leadership and the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill, both in North America.

These programs fulfill many of the objectives of a tri-continental alliance, the most important of which is to create in-depth, ongoing, and dedicated international

connections that deepen over time. Different business schools could use the model not only for executive education, but also for undergraduate and masters-level programs. They could collaborate to create entire degree programs or standalone courses. Fewer, stronger alliances can create programs that have staying power and that help individual schools better meet their

students' educational needs.

Take advantage of technology.

Small schools may not be able to afford to send students all over the world, but they still can take advantage of an interuniversity model. By using videoconferencing, podcasts, video streaming, and online collaboration tools, schools on different continents can collaborate to design global courses, capstone experiences, and consultancy projects that allow students to mingle and work with their counterparts in other nations in the same virtual space. In the process, students would not only become sensitive to global issues, but also learn the nuances of global teamwork.

Students also could take online courses at partner schools and be taught by an international team of faculty. Schools could invite international faculty to teach their students and collaborate on research projects with their professors. Travel is one way to help students develop global mindsets, but it is not the only way. Technology offers all schools opportunities to develop global programs at lower cost.

Emphasize lifelong learning.

Many schools are finding that it's incredibly difficult to fit a pantheon

EDUCATING TOMORROW'S EXECUTIVE

"The world of management education has never been more exciting, diverse, and full of possibilities than it is right now!"

— Jerry Trapnell, "A World of Opportunity,"
September/October 2002

(then dean at Clemson University in South Carolina,
now Chief Accreditation Officer of AACSB)

WORDS
OF WISDOM



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of knowledge into a single program. But why should graduation be the end to students' learning? Business schools can cover all the skills employers want and more if they do so over a graduate's entire career.

During their degree programs, schools can make sure that students understand that learning is never done. Once students graduate with a strong foundational MBA, they can continue to earn certificates in entrepreneurship or global leadership as their careers demand that specialized knowledge.

Final Question:
How Do We Change?

In 1959, Robert A. Gordon and James E. Howell wrote the now-famous Ford Foundation report that leveled harsh criticism at the quality of business schools—they wrote, essentially, that there was no quality at all. That report spurred widespread reform, as

business schools transformed themselves from trade schools into strong, academically driven institutions that have become an integral factor to the world's economic growth. Today, an MBA from a highly ranked school is widely recognized as an intellectual achievement, an indication that the graduate will make quality contributions to the business world and society.

Business schools have built a deeply successful model over the last 50 years. But as with any technology or system, what served us 50, 30, or even ten years ago may not serve us in the future—at least not without adaptation. Today, business schools have an opportunity to transform their industry again, but this time not because their output is low quality. Quite the contrary, this time it's because they want to assure that their current high quality output continues to be *exceptional*.

Business schools can achieve that goal by finding innovative ways to achieve traditional goals. For instance, through such ideas as undergraduate academic tracks, they can supply more of the AQ faculty they need. Through partnerships, they can help each other cover more educational ground. Through quality assurance, they can expand the universe of continuously improving business schools.

One school can't do everything, but thousands can do anything. I see years of innovation ahead for management education, as schools overcome the industry's biggest challenges. In so doing, our industry will continue to do what it does best—produce graduates who are thoroughly prepared to serve society by serving business. 

.....
John Fernandes is president and CEO of AACSB International in Tampa, Florida.

research



Managing the Next Pandemic

IN THE RECENTLY released blockbuster film *Contagion*, a deadly virus spreads around the world within days, killing everyone who is not immune. Entire cities are quarantined, social order breaks down—it's a plot tailor-made for a Hollywood thriller.

But according to a recent study, the scenario is all too plausible. Just a handful of infected individuals taking international flights could spread an emerging infectious disease (EID) worldwide within hours. How many people die in such a pandemic depends on how well health officials can identify and respond to its initial signs, say the study's five authors. They call for improved information systems (IS) that incorporate a concept called "loose coupling" to prevent pandemics.

The researchers include Yi-Da Chen, a doctoral student in management information systems (MIS) at the Eller College of Management at the University of Arizona in Tucson; Susan Brown, associate professor of MIS at Eller; Hsinchun Chen, professor of MIS and director of the University of Arizona's Artificial Intelligence Laboratory; Paul Jen-Hwa Hu, associate professor in the department of operations and information systems at the University of Utah's David Eccles School in Salt Lake City; and Chwan-Chuen King, a professor in the Graduate Institute of Epidemiology in the College of Public Health at National Taiwan University in Taipei.

The research team examined the world's reaction to the 2003 outbreak of Severely Acute Respiratory Syndrome, or SARS, in Taiwan. According to reports from the World Health Organization, SARS spread from

Hong Kong to nearly 40 countries—and infected more than 8,400 people—in a matter of weeks. Eleven percent of its victims died.

"The failure of central (public health) agencies to detect and manage SARS was generally attributed to weak disease surveillance mechanisms," the authors write. If officials had received information about the outbreak sooner, they add, the disease could have been contained more quickly.

In response to the SARS epidemic, many government agencies dedicated large sums of money to improving IS so that health officials could more quickly identify EIDs. However, the authors argue that because EIDs spread in such complex patterns, current systems still may leave health officials unprepared to prevent a pandemic.

The current centralized response systems to outbreaks can send too much data through too narrow a channel, the researchers say. "Public health practitioners experience difficulty in dissecting the meaning behind frequent surveillance alerts and often feel overwhelmed by the volume of the alerts," they write. As a result, officials could be too slow to respond to the next global health threat.

For that reason, the researchers recommend a comprehensive response framework that includes both a centralized global system and a "loosely coupled" system for gathering, interpreting, and sharing public health data. In information systems, a loosely coupled system is one in which each component has little or no knowledge of the other components.

In the context of a health crisis, loosely coupled IS would allow local agencies to respond to potential outbreaks before receiving explicit directives from larger national or global organizations. While a centralized global system is critical for large-scale pandemics, the authors believe that loose coupling could increase the likelihood that local clinicians can stop an outbreak before it leaves their regions.

Their paper, "Managing emerging infectious diseases with information systems: reconceptualizing outbreak management through the lens of loose coupling," was published in the September issue of *Information Systems Research*, the journal of the Institute for Operations Research and the Management Sciences.



Hsinchun Chen



Susan Brown

THOMAS VENKLASEN

International Work Can Slow Down Careers

AS MUCH AS companies value international experience, executives who have worked on international assignments may take longer to advance to the CEO's position.

In a recent study, Burak Koyuncu, assistant professor of management and strategy at Rouen Business School in France, and Monika Hamori, professor of human resource management at IE Business School in Madrid, Spain, sampled CEOs of the 500 largest corporations in Europe and 500 of the largest corporations in the United States. In this group, 40 percent of European CEOs and 24 percent of American CEOs had international assignment experience.

The authors found that the longer these executives spent outside their home organizations, the more slowly they reached the CEO position. The authors note that a company's foreign operations often place executives on the periphery of the organization's activity. While on assignment, these executives also are separated from their headquarters' resources and information, as well as from their social networks.

Even so, international experience is more likely to be on a new CEO's résumé today than in the past. In 1993, only 7 percent of newly appointed CEOs had international experience, compared to 18 percent in 1998 and 44 percent in 2003.

The authors conclude that it is important for CEOs to have had some international experience. However, they recommend that professionals whose sights are set on the CEO's office accept fewer international assignments, accept shorter assignments, or gain international experience as visitors rather than as expatriates. Those who must take longer international assignments should stay in continuous contact with their home offices and encourage visits from headquarters personnel to maintain their social networks.

“Career advancement in large organizations in Europe and the

United States: Do international assignments add value?” was published in the *International Journal of Human Resource Management*, Volume 22, No. 4.



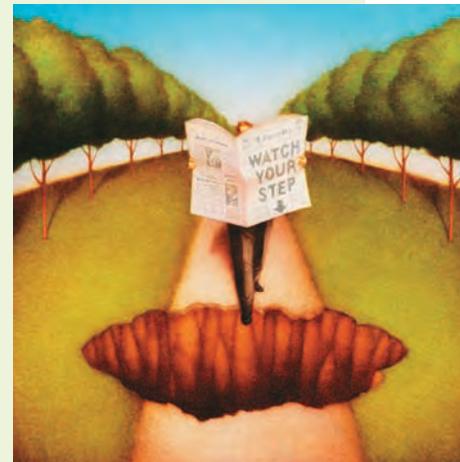
Many Execs Are Blind to Risk

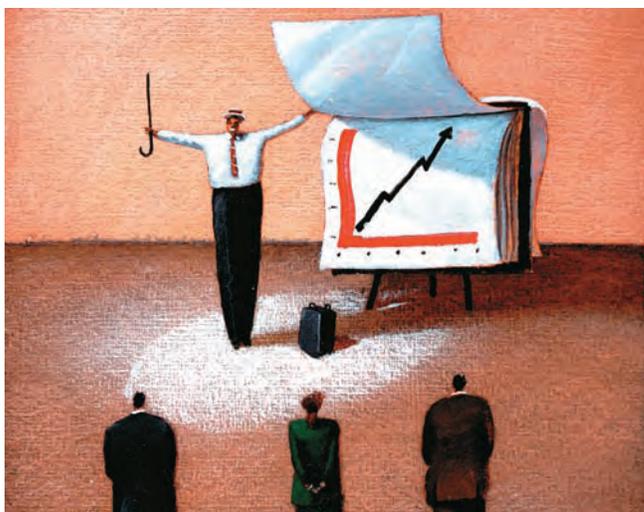
THE OFTEN CATASTROPHIC results that occur when corporate boards and executives pursue financial growth at any costs are well-documented in the histories of companies such as Enron and Lehman Brothers. But a new report finds that these executives were inadequately prepared to gauge the risk of their actions. They were, in effect, “risk blind.”

“Roads to Ruin” was conducted by researchers at Cass Business School at City University London in the United Kingdom on behalf of London-based risk management association Airmic. For the report, researchers examined 23 companies that experienced a crisis with potentially catastrophic outcomes. These companies, each with pre-crisis assets totaling more than US\$6 trillion, included heavy hitters such as AIG, Arthur Andersen, BP, Northern Rock, and Cadbury Schweppes. Of the 23 firms, three completely collapsed, three were rescued by government, and 16 had executives who suffered financial penalties. In four cases, executives received prison sentences for their actions. Shareholders of nearly all the firms suffered severe losses. In all, 20 CEOs and chairmen lost their jobs.

Researchers found that catastrophic corporate failures often have in common seven factors, which may seem disconnected until after damage has been done. They include non-executive directors (NEDs) with little or no ability to monitor and control executives; blindness to inherent risks to business model or reputation; inadequate leadership in areas of ethos and culture; defective internal communication and flow of information; organizational complexity and change; inappropriate incentives; and a “glass ceiling” effect that keeps risk managers from addressing the risky behaviors of top execs.

In the pre-crisis environments of many of these firms, risks were not even discussed due to some or all of these factors. That was true even when risks were apparent to others within the organization. The report calls for NEDs to do more to discover this information, for companies to include those potential pitfalls in their risk plans, and for the risk and internal audit professional community to develop new skills to work with executives.





DAVE CUTLER/CORBIS

Diversification May Not Pay for Funds of Funds

MANY BELIEVE THAT diversification protects the value of hedge funds in a volatile stock market. However, researchers from New York University's Stern School of Business and the State University of New York's College at Plattsburgh School of Business and Economics find that well diversified funds of hedge funds (FoHFs) actually perform worse in extreme market conditions than their less diversified counterparts.

The study was conducted by Stephen Brown, a finance professor at NYU; Greg Gregoriou, a finance professor at SUNY; and Razvan Pascalau, an associate professor of finance at SUNY. The three researchers examined a new database of 3,767 FoHFs. The database is the first to separate two important values of FoHFs: the effects of diversification (the number of underlying hedge funds) and the scale (the magnitude of assets under management).

The authors found that once an FoHF holds more than 20 underlying hedge funds, the benefit of diversification decreases. The effect is so great that excess

diversification increases risk exposure because of common exposure to market tail risk, which refers to the risk that a portfolio will move more than three standard deviations from its current price. "These funds are not an insurance policy against market tail risk," says Brown.

The authors say that the added risk of overdiversified FoHFs can lead to lower returns even in stable markets. Managers must pay more to conduct due diligence on a larger number of holdings—often up to US\$50,000 per report. That expense is easily absorbed by large FoHFs, but will quickly erode the returns of smaller portfolios, explains Gregoriou. He adds that this finding comes as a surprise to FoFH managers who have long believed that greater diversification protected their portfolios from market extremes.

Given these results, the authors note their concern that many FoHFs in their sample—34 percent—held 25 or more underlying hedge funds. Many even held more than 50. The returns of this group lagged behind their counterparts with only 10 to 20 underlying funds. "Overdiversification," they conclude, "leads to diminished returns and in extreme cases, death of the fund, particularly when it becomes too expensive to perform necessary due diligence."

"Diversification of funds of hedge funds: Is it possible to overdiversify?" is forthcoming in the *Review of Asset Pricing Studies*. The full paper is available at ssrn.com/abstract=1436468.



Stephen Brown



Greg Gregoriou



Razvan Pascalau

COMPETITION

"The growing prominence of media rankings has pushed business schools toward focusing on image management, often at the expense of substantive improvement. Because image has become the new currency in the academic realm, competition among business schools is creating a kind of beauty contest, with some ugly consequences for the contestants."

— Dennis Gioia and Kevin Corley, *Your Turn*, January/February 2002 (then and now, Gioia was and is with Pennsylvania State University; then, Corley was a doctoral student at Penn State, now he's at Arizona State)

WORDS
OF WISDOM

UPCOMING & ONGOING

■ MYSTERIES OF “MEME DIFFUSION”

Why do people share one piece of information online, but not another? The U.S. National Science Foundation has awarded US\$905,000 to four informatics and computing professors at Indiana University in Bloomington who hope to discover an answer. Filippo Menczer, Alessandro Flammini, Alessandro Vespignani, and Johan L. Bollen aim to better understand how and why information spreads online via social media and data feeds, a process they call “meme diffusion.” The researchers are part of the “Truthy team,” which last year garnered media attention for creating truthy.indiana.edu. The watchdog site identifies when politicians engage in “astroturfing”—or faking grassroots support for their campaigns. The site currently includes animations of meme diffusion networks, including one connected to the uprising in Egypt.

■ FORUM ON ECONOMIC CAPITAL

Georgia State University’s Robinson College of Business in Atlanta and global insurance broker Willis Group Holdings have co-funded the Willis Research Network Economic Capital Forum. The forum also was founded in partnership with ETH Zurich’s RiskLab Switzerland and the National University of Singapore’s Risk Management Institute. The forum will facilitate global collaboration among academia, industry, and policymakers, as well as create a technology transfer program designed to shorten the time required to convert research into commercially viable applications.

■ BOOST TO MOBILE BANKING

Frank Warnock, a professor at the Darden School of Business at the University of Virginia in Charlottesville, and Veronica Caccac Warnock, a fellow at Darden’s Batten Institute, will work with mobile banking companies bKash and UBL Omni on a project that aims to help



poor populations in Bangladesh and Pakistan have greater access to financial services. The project will be funded by ShoreBank International (SBI), with part of its US\$16.9 million grant from the Bill and Melinda Gates Foundation.

■ INVESTMENT CENTER

Hong Kong University of Science and Technology (HKUST) and the Hong Kong-based asset management firm Value Partners Group Limited opened the Value Partners Center for Investing in September. Funded by Value Partners’ donation of nearly HK\$10 million, the center will support research and training in investment management at the HKUST Business School, including the establishment of the school’s student-managed investment fund.

■ RETAIL CENTER

The Wake Forest University Schools of Business recently

opened the Center for Value Delivery Innovation. The retail marketing center will facilitate collaborations among WFU faculty and business students, manufacturers and retailers, and other organizations that want to help businesses stay ahead of consumer demands. The center was started with US\$500,000 of seed money from Inmar Inc.; SymphonyIRI Group Inc.; and John Whitaker, founder and former CEO of Inmar.

■ A LOOK AT HYBRID LEARNING

Baruch College’s Zicklin School of Business in New York, New York, has partnered with Ithaka, a nonprofit dedicated to helping the academic community effectively use technology, to study student learning in a hybrid model. In the study, researchers compared the outcomes of an introductory business statistics course delivered partially online and partially face-to-face with a course delivered in a traditional format. Results were due to be released in October.

WOMEN IN BUSINESS

“I think any working woman in the business world or in business education is quite used to going into rooms where she knows she will be the only woman. But gradually it’s becoming not uncommon to be one woman out of 12 or 14.”

— Sandra J.N. Dawson, “Educating Women,” July/August 2002 (then master of, now professor at, the University of Cambridge’s Sidney Sussex College in England)

WORDS
OF WISDOM

Assessment Conference

March 19–21, 2012 | Houston, Texas, USA

Strategies From Peers, Advice From Experts.

A diverse representation of schools participate in what has grown to be one of AACSB's most popular and informative events—the Assessment Conference. Learn from assessment and assurance of learning examples provided by schools across the world that yield to effective solutions and immediate results. Attend this conference to learn about best practices for your academic programs. With a majority of the content presented by your peers, educators who have implemented successful programs, and assessment experts, this is your conference—by and for today's b-schools attempting to effectively measure student performance.

Register by February 13, 2012 and save 200 USD.

Learn more at www.aacsb.edu/Assessment.



RESEARCH RECOGNITIONS

The American Marketing Association has selected **F. Robert Dwyer** to receive its 2011 Interorganizational Special Interest Group Lifetime Achievement Award. Dwyer is the Joseph S. Stern Professor of Marketing at the University of Cincinnati Carl H. Lindner College of Business in Ohio. He specializes in research on buyer-seller relationships. The AMA bestows the award based on the longevity and significance of the recipient's contribution to interorganizational research, as well as his or her sustained record of research excellence and service to the profession.



IMAGEBROKER/GLOW IMAGES

A case study authored by **Leyland Pitt** and **Adam Mills**, both of Simon Fraser University's Beedie School of Business in Canada, and **Phuong Nguyen**, **Jia-Rong Wu**, and **Aschwin van Alphen-Sato**, all of the Rotterdam School of Management in the Netherlands, won the Best Case Study Award at the 2011

ISB-IVEY ANNOUNCES WINNING CASES

The top ten Indian case studies have been announced in the ISB-Ivey Case Competition 2011. The competition is sponsored by the Centre for Teaching and Learning at the Indian School of Business in Hyderabad and the Richard Ivey School of Business at the University of Western Ontario in London, Ontario, Canada. The competition attracted entries from 220 faculty representing 75 business schools.

The first-place case was "INDCOSERVE: Challenges in marketing tea by a co-operative society," written by Seema Gupta, assistant professor, and B. Mahadevan, professor, at IIM-Bangalore. In second place was "Turnaround of ICRISAT: Transformational Leadership of Dr. William D. Dar" by Sunita Mehta, senior assistant professor at the Vishwa Vishwani Institute of Systems and Management in Hyderabad, and Wing Commander S.K. Sharma, chief operating officer, Indian Air Force, Centre for Leadership and Behavioural Sciences in New Delhi.

Curriculum and Teaching Seminars

Teaching Effectiveness Seminar

December 1–2, 2011 | Tampa, Florida
March 22–23, 2012 | Tampa, Florida

Taught by a master instructor, this seminar provides innovative methods and a framework for effective teaching in today's increasingly competitive academic environment.

Curriculum Development Seminar—Experiential Learning: Creating and Growing Project Learning in Business Schools

December 9, 2011 | Tampa, Florida

This seminar will focus on how to teach project-based learning and integrate it into a curriculum. Discussions will emphasize the role of coaching, client recruitment, faculty management, feedback and evaluations, and will examine how to develop syllabi and course material.

Teaching Business Ethics Seminar

March 26–27, 2012 | Tampa, Florida

Developed for faculty from any discipline, this seminar provides an in-depth learning experience needed to effectively introduce the subject of ethics to future business leaders.

Curriculum Development Seminar—Managing in a Global Context

May 11, 2012 | Tampa, Florida

Incorporating interdisciplinary conceptual frameworks while focusing on effective techniques, this seminar provides experiential learning pedagogies to provide students with a deep appreciation for cultural, regulatory, political, and economic differences across countries.

For more information, visit
www.aacsb.edu/seminar



research

RESEARCH RECOGNITIONS

Academy of Marketing Conference in July. Their case, called “Marketing S#! My Dad Says,” places students in the role of Justin Halpern, creator of the controversial “S#! My Dad Says” brand, through which Halpern uses Twitter to share short, humorous quotations from his father. The dilemma it presents to students is whether Twitter is merely a platform to launch Halpern’s brand, or whether it can be used to maintain the brand for the long term. Mills, a doctoral student at Beedie, has been invited to publish the case in *The Marketing Review*.

Dan Dalton, dean emeritus of Indiana University’s Kelley School of Business in Bloomington, has received the Distinguished Career Award from the Academy of Management for his contributions to management research. The award recognizes Dalton’s advancement of research methods and the impact he has had on the field. Dalton, who is now the Harold A. Poling Chair of Strategic Management and founding director of the Institute for Corporate Governance at the Kelley School, was the school’s dean from 1997 to 2004.

Gavin Cassar, assistant professor of accounting at the Wharton School of Business at the University of Pennsylvania in

Philadelphia, has received the Best Early Career Researcher Award from the American Institute of Certified Public Accountants. The award, which includes a \$2,000 grant, is presented to a researcher for the body of work completed within the first five years of joining a faculty. Cassar was honored for his work on the role of information—especially financial information—in uncertain market conditions.

Karlene Roberts received the Academy of Management’s 2011 Practice Impact Award in recognition of her nearly 30-year career studying risk management. Since 1984, Roberts has studied management practices within organizational environments where errors can have catastrophic consequences. The results of her research have been used by private organizations such as hospitals, energy companies, and financial institutions, and U.S. government agencies such as the Navy’s aircraft carrier operations, the Federal Aviation Administration’s air traffic control system, the Coast Guard, the Department of Defense, and NASA. Roberts joined the business school at the University of California, Berkeley, in 1969. She retired from the UC-Berkeley’s Haas School of Business in 2008.

A Downside to CSR

IF A COMPANY does not choose its message of corporate social responsibility carefully, that message could backfire, according to a new study. To be received well by customers, that message must line up with their understanding of the company's brand and even their own mindsets.

The research was conducted by Carlos J. Torelli, assistant professor of marketing at the Carlson School of Management at the University of Minnesota in



Carlos Torelli

Minneapolis; Alokparna (Sonia) Basu Monga, associate professor of marketing at the Darla Moore School of Business at the University of South Carolina in Columbia; and Andrew M. Kaikati, assistant professor of marketing at the Terry College of Business at the University of Georgia in Athens.



Sonia Basu Monga

The authors found that if a socially responsible message comes from a luxury brand such as Rolex, consumers' opinions of that brand actually grow more negative. Rolex's brand, the researchers say, is associated with the concept of self-enhancement and connotes "dominance over people and resources." On the other hand, if that same message comes from a brand associated with the concept of openness, which connotes something "exciting and free-spirited," consumers' opinions remain positive. Apple falls into this category. The same is true for a



brand associated with the concept of conservation, such as Aunt Jemima, which implies the ideas of "tradition and protection of the status quo."

The authors suggest that consumers often perceive a "motivational conflict" between brands linked with self-enhancement and the idea of social responsibility. They also conclude that consumers who think in more abstract ways are more likely to perceive this conflict than those who think more concretely.

"Given that billions of dollars are being poured into CSR activities, knowing which brands are more or less likely to succeed is highly consequential," the authors write. They add that a luxury brand's most well-intentioned CSR efforts can backfire unless steps are taken to "avoid negative consequences."

"Doing Poorly by Doing Good: Corporate Social Responsibility and Brand Concepts" is forthcoming in the February 2012 issue of the *Journal of Consumer Research*. It is available at www.csom.umn.edu/assets/166234.pdf. 

WORDS OF WISDOM

BUSINESS INSIGHTS

"There are times when it looks like managers aren't evil. You find yourself the head of Cisco or Apple Computer during their heydays, and suddenly it looks like you're brilliant *and* kind. You're treating your employees well and making money, so it must be that you *can* do both! But that's an illusion that disappears with a market downturn."

— Scott Adams, "Funny Business," November/December 2002 (then and now, author of the "Dilbert" comic strip)

technology

A Tech Retrospective

BizEd's first issues offer a snapshot of how business education got from "then" to "now."

REMEMBER THE GOREADER, an electronic device that promised to make textbooks obsolete? How about the Palm Pilot? Or even the term "handheld computer"? A decade ago, *BizEd's* Technology department covered these devices as the state-of-the-art in education. While they may have disappeared, they were the precursors for technologies that *would* redefine education. Many other trends that our Technology department featured in *BizEd's* first few issues had more staying power:

E-readers. In *BizEd's* inaugural November/December 2001 issue, the article "No More Pencils, No More Books" touted the functionality of the aforementioned goReader, a 10.4-inch tall device that could hold up to 65 textbooks in its memory. Students could use a special stylus to take notes, highlight passages, and cut and paste text to an electronic clipboard. The cost? Just \$900. The only thing that goReader's creators needed was for publishers to supply the e-books.

Unfortunately, the goReader was about six years ahead of its time. Publishers weren't ready to release electronic textbooks, and students didn't have \$900 to spare. The goReader quietly disappeared. But it helped prepare the market for its successors. Amazon released the original Kindle in 2007; Apple released the iPad in 2010.

Open source computing. In March/April 2002, *BizEd* discussed open source software—free software, such as the operating system Linux, that allowed its computer code to be altered by anyone. At the time, the concept was being heavily promoted by IBM and Sun Microsystems. "We're evolving from the PC model, so that devices students use to access information are not necessarily PCs," said John Tuohy, then Sun's higher education marketing manager. "Open source software can be downloaded once, and then run from any station."

In many respects, the open-source concept predated the idea of cloud computing, in which clients use applications and store data with companies on remote servers, via the Internet, rather than on their own computers. In the "cloud," users can access tools for e-mail, word processing, spreadsheets, and collaboration. Free application suites that include these functions, such as



Google Apps for Education, have become mainstays in many business classrooms.

E-learning. In July/August 2002, *BizEd* published "Setting the Standards for E-Learning," which explored how educators were still struggling to discover how to maximize e-learning's effectiveness. "Adding and editing content is now much easier than it was in the early days," said Kristi Emerson, then public relations manager for eCollege, an e-learning platform now owned by Pearson. Even so, she and others quoted in the article noted that professors still wanted a greater level of interactivity.

The article also mentioned that the "holy grail" of e-learning would be the ability to customize learning experiences so that students could learn at their own speed and competency levels. "To believe that the sum product of the Internet and e-learning has already been invented would be naïve," said Robert Pittinsky, chair and co-founder of Blackboard.

Pittinsky wasn't kidding. Friendster, the precursor to MySpace, had only just been created that year. Facebook started finding friends in 2004. Today, customization and interactivity are at the heart of most schools' online educational programs, which they facilitate through collaboration tools and the universe of social media, including LinkedIn, Facebook, Twitter, and Flickr.

Handheld devices. That same issue included "Handhelds Come to Campus," which focused on the utility of the Palm Pilot for polling students in the classroom. At the time, Palm Inc. had provided 40 Palm Pilots to the Bryan School of Business and Economics at the University of North Carolina at Greensboro. Each Palm Pilot was loaded with LearnTrac, polling software created by eLearning Dynamics of Washington, D.C. "LearnTrac will replace many of the things we do and help us to do some things differently," a Bryan School professor said.

“To believe that the sum product of the Internet and e-learning has already been invented would be naïve.”

– Robert Pittinsky
of Blackboard, in 2002

Well, that didn't quite happen. LearnTrac is no more, and Palm Pilot has been absorbed by HP. “Handhelds” evolved into smartphones and other mobile devices. But stories regarding the increased use of polling software appeared in *BizEd's* Technology pages in the years that followed, until eventually polling students became commonplace.

Free online education. In January/February 2003, *BizEd* reported the launch of OpenCourseWare (OCW) by the Massachusetts Institute of Technology in Cambridge. OCW would include the materials for 32 MIT courses in 16 academic departments online for free. “We’re fighting the commercialization of knowledge in much the same way that open-source people are fighting the commercialization of software,” said a university spokesperson.

Flash forward: As of July 2011, OCW offered 2,074 courses, including full video of 46 courses. In addition, 987 courses have been translated into different languages, including Spanish, Portuguese, Thai, Persian, and Chinese. The site averages 1 million visits each month and boasts a total 122 million visits by 87 million users from, by its own measure, every country in the world. This year, the school made its OCW LectureHall iPhone app available, which allows users to stream video lectures on their mobile devices, post to forums, interact with friends via social media, and take notes as they watch content.

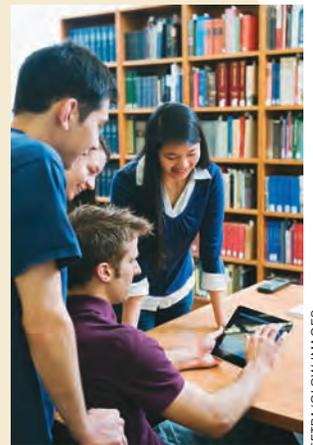
Those are just a few of the topics that appeared in *BizEd's* Technology department in our first issues. Since its first year, *BizEd* has gone from handheld computers to smartphones, from MySpace to Facebook, from portals to apps, from the Kindle to the iPad2, from SecondLife to serious games. Educators are still debating what the technological landscape will look like in ten years. As for what's happening in technology right now? The pages that follow are a good place to start.



PAUL SAKUMA/AP PHOTO

Steve Jobs' Legacy

JUST AS THIS ISSUE of *BizEd* was going to press, we received the news of the passing of Steve Jobs, the founder, CEO, and visionary behind Apple. Whether through iPhone apps, iPad integration, case studies on Apple's success, or analyses of Jobs' personal leadership style, business education has been changed, directly and indirectly, by Jobs and the company he built. Jobs also could be the most-discussed entrepreneur-turned-successful CEO who *didn't* go to business school, by educators and industry watchers alike. Regardless, over the last two years, we've seen Apple products change how business professors teach and students learn. As John Pliniussen, a professor from Queen's University in Kingston, Ontario, Canada, put it the day after Jobs' death: “Jobs was for business what the Beatles were to music: paradigm shifting.” It seems appropriate to mark Jobs' passing in this issue, which is devoted to the transformation of business education. We anticipate the innovations on their way to business classrooms as the result of Jobs' ideas and products.



TETRA/GLOW IMAGES

What's App-enin' At B-Schools

TODAY, SMARTPHONE and tablet usage among business students is almost a given. To reach students where they live—on their mobile devices—more business schools are launching their own mobile campus applications. But as with any school initiative, designing a great institutional app takes careful consideration. Educators should be mindful of several steps and possibilities as they tackle the process:

Choosing objectives. Successful mobile campus apps serve a triple function—they build community, expand awareness of the school, and keep people informed. But they must do so without bombarding users with unneeded information. For that reason, business schools are defining their intended audience, choosing features, and outlining their objectives carefully before they jump into an app's design. In that way, they can ensure that users find their apps interesting and valuable.

“We didn't want to replicate or redeliver information that is already offered by other apps,” says Derek Moscato, director of communications for Simon Fraser University's Beedie School of Business in Burnaby, British Columbia, Canada. “We didn't want our app to be an overt recruitment tool, such as a digital brochure.”

Columbia Business School in New York, New York, released its iPhone app this summer, after taking six months to refine, test, and deploy it. Its goal for the tool was to help make students' academic experiences as positive as possible. The app that resulted includes



The Beedie School distributed promotional T-shirts that promoted its new campus mobile app as part of a student engagement contest. Each shirt has a QR code on the back that, when scanned with a mobile phone, takes the user to information about the app.

searchable directories, campus maps, and details on campus events, club activities, and course listings. It also allows students to gather course assignments and materials in one place and receive campus safety alerts.

ESCP Europe wanted its iPhone app to connect its five campuses in Paris, France; London, England; Madrid, Spain; Berlin, Germany; and Torino, Italy. “We wanted the application to speak not only to students and alumni, but also to people interested in our conferences and the expertise of our professors,” says H el ene Allaire, the school's events and social media

TECHNOLOGY

“Students look at computers as if they aren't even technology; they're just a normal part of the environment, like the telephone or the automobile.”

— Jason Frand, “Rethinking IT,”
January/February 2002
(then with UCLA, now retired)

WORDS
OF WISDOM

manager. ESCP Europe's app includes news, a monthly calendar of events, a course portfolio, information about faculty and research, locations of its campuses and partner universities, and a photo gallery. Students also can use the app to join the school's online communities on various social media networks.

This summer, Hult International Business School, with campuses in the U.S., Europe, the Middle East, and Asia, released Hult Connect, a free mobile app for Apple devices that specifically targets Hult's alumni network. Hult Connect allows former students to find other alums who live and work in their cities, so they can maintain relationships more easily. The business school can use the app to send news about alumni events and reunions.

Teaching with apps. The design of a school's app also can offer an educational experience for students. That was the case for the Beedie School. A team of five SFU computer science and business students created Beedie's app as a 13-week project for an interdisciplinary course, "Foundations of Innovation" in 2010.

Jan Kietzmann, who teaches the course, planned to make iPhone app design a general focus for the course. But he says it was a "natural progression" to shift the focus to creating a Beedie School app. The team was guided in the project by Kietzmann; Moscato; Dan Shapiro, the dean; and Andrew Gemino, associate dean of undergraduate programs and associate professor of management information systems. After the course ended, Moscato continued to work with the students to perfect the app before its release five months later in spring 2011.

"Although the project was introduced to the students from 'up top,' the students really loved the idea and took it upon themselves to identify where and how an app could help improve their lives as students," says Kietzmann.

The students decided that the Beedie School app should be an information hub. They wanted it to integrate the school's Twitter and Facebook feeds with links to announcements about current research from school faculty and graduate students, says Justin Lee, a member of the student team.

Getting the word out. How well a school promotes

its app is almost as important as how well the app is designed. These schools let their communities know about the app via publications, electronic newsletters, and Web sites, as well as at school events and student orientations. But they also emphasize that because word-of-mouth is so important, more creative approaches may be in order.

For example, it was a student working as an intern in the Beedie School's marketing and communications office who suggested launching a student-directed campaign, says Moscato. The office acted on her advice, distributing promotional T-shirts with QR codes for the app as part of a student engagement contest. It also created postcards featuring the app and handed them out to incoming freshmen at the beginning of the school year.

Refining designs. ESCP Europe views its first campus app as a work in progress, says Allaire. She has included her contact information at the bottom of the

"We didn't want to replicate utilities or redeliver information already offered by other apps. We didn't want our app to be a digital brochure."

— Derek Moscato of Simon Fraser University

ESCP Europe app's download page with a note asking for feedback. She already is making adjustments for the app's next version. Moscato uses Google Analytics to track how many users download Beedie's app. Since its launch in early June through August, it had received 9,500 page views. He plans to track how students use the app to inform the design of future iterations.

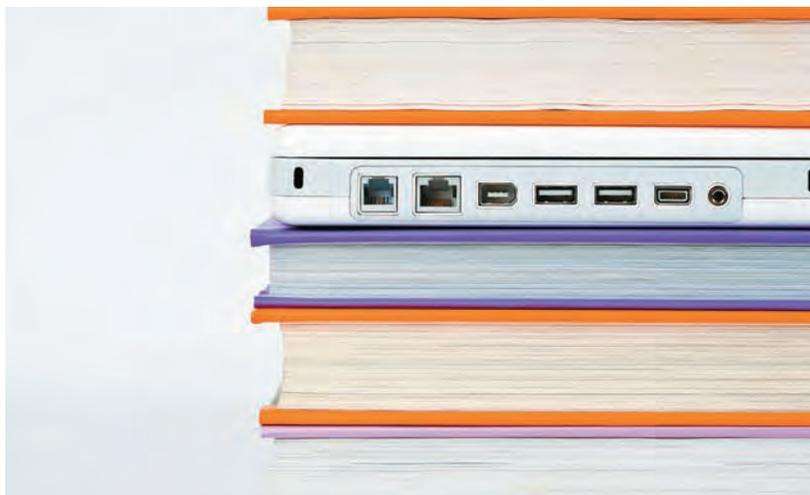
A school might be tempted to pack its first app with as many elements as possible. But overloading an app with bells and whistles that students might not use could decrease its functionality and impact, says Glenn Wiebalck, associate director of technology operations, information and technology group, and interim CIO at Columbia. "Don't try to do too much initially," he advises. Instead, start with a few features that students say they want most—and then test, test, test to make sure those features work flawlessly before full deployment. That approach, says Wiebalck, is "how you'll gain momentum for future releases."

AACSB Launches eNEWSLINE Live

In September, AACSB International of Tampa, Florida, introduced eNEWSLINE Live (ENL), a series of live-streaming videos that address global topics and trends in management education.

Hosted by John Fernandes, AACSB's president and CEO (in photo, left), the bimonthly videos will feature experts from business education who will provide insight on a variety of topics. The first video, streamed in September, featured Steve Reinemund (at right), dean of Wake Forest University Schools of Business in Winston-Salem, North Carolina. Reinemund spoke on the topics of sustainability, corporate social responsibility, and ethical leadership.

For information about ENL and upcoming video segments, visit www.aacsb.edu/enl/.



PURESTOCK/GLOW IMAGES

VSU Expands Digital Text Initiative

VIRGINIA STATE UNIVERSITY in Petersburg has received a US\$50,000 grant from energy company Dominion Resources, which the school will use to expand its digital textbook pilot project. The Lewis School of Business, which launched its Digital Instruction Project this year, will use the grant to purchase more seat licenses for Flat World open source digital textbooks, expanding the project from nine courses in 2010–2011 to 16 classes in 2011–2012. The money also will support real-time learning assessments, access to educational networking, and increased interaction among students and faculty.

Instructors can tailor the digital texts to their specific classes and update them continuously with

topical case studies. Moreover, open source digital texts cost about \$20 per book, compared to \$250 or more for some accounting and finance texts. The project has saved students more than \$200,000 in textbook expenses so far, says Mirta Martin, dean of the Lewis School. “Before the school adopted digital texts, more than 40 percent of our students tried to get by without class texts because of the expense,” she adds.

The grant is part of more than \$200,000 that Dominion has donated to colleges in Central Virginia to support programs in business, skilled craft, engineering, environmental, and technical studies aimed at resource conservation and environmental preservation.

ONLINE LEARNING

“Online education is already working, and it’s still primitive. Just wait until it gets good.”

— Tom Peters, “Tom Peters: Uncensored,” May/June 2002
(then and now, author and business guru)

WORDS
OF WISDOM

Tweets for Tippie Tuition

MBA APPLICANTS often spend a great deal of time polishing their essays. But this summer, some MBA candidates accepted to the University of Iowa's Tippie College of Business in Iowa City polished their tweets instead.

In July, the school announced that it would provide a tuition award of US\$37,000 to the first-year candidate who tweeted the most creative answer to the question, "What makes you an exceptional Tippie MBA candidate and full-time MBA hire? Creativity encouraged!" Following Twitter format, the candidates had to limit their tweets to 140 characters.

Tippie received 57 tweet applications; eight of the authors were accepted into the program and considered for the scholarship award.



The Winning Tweet...

John Yates, a 33-year-old English instructor with Berlitz in Houston, Texas, won Tippie's Twitter competition with this tweet, written in the form of a haiku:

*Globally minded.
Innovative and driven.
Tippie can sharpen.*

The judges noted that Yates' tweet stood out because he showed creativity in linking haiku, one of the oldest forms of poetry, with Twitter, one of the newest modes of communication. Yates has chosen to defer his enrollment until 2012.

The tweets were just one part of a more traditional application process that included standardized test scores, work experience, undergraduate qualifications, interviews, and application essays. Students also could connect their tweets to blog entries, résumés, or expanded talking points elsewhere on the Web.

"We think that by saying 'creativity encouraged,' we open the door and allow people to go way beyond 140 characters," says Colleen Downie, senior assistant dean of the full-time MBA program in the Tippie School of Management.

"Social media has been shown to be a powerful tool for business communication, so it makes sense that our applicants demonstrate an ability to use it," adds Downie. "This was a way for prospective students to show us that they embrace innovation and are comfortable using the kind of media and technology driving so many changes in business."

NEWSBYTES

STUDENTS WANT E-BOOKS

Three-quarters of college freshmen at Abilene Christian University in Texas said that they would personally purchase Apple iPads if at least half of their textbooks were available digitally, according to a university survey. Most of these students noted that while reading on paper was "easier," digital materials were "more convenient." Information

about this study and other ACU studies on mobile education can be found at www.acu.edu/technology/mobilelearning/Research.

MOBILE ED AT MIT

With an initial gift from Google Education, the Massachusetts Institute of Technology in Cambridge has opened the MIT Center for Mobile Learning in its Media Lab. The Center will focus on the design and study of

new mobile technologies and applications that enable "anywhere-anytime" education. Researchers will study the educational potential of tools such as location-aware learning applications, mobile sensing, and augmented reality gaming.

UOPEOPLE PARTNERS UP

The online University of the People (UoPeople), which offers free university educa-



tion to students worldwide, has partnered with New York University to identify disadvantaged students who meet the standards for admissions to NYU Abu Dhabi and invite them to apply. Once accepted, these students also will be eligible for financial aid.

TOOLS OF THE TRADE

Matching MBAs With the Market

Global Focus helps employers and career advisors match job seekers with the right job openings.



Given the complexity of today's job market, it can be difficult for HR directors, recruiters, and career advisors to match the right jobs to the right talent. Global Focus, a recruiting management platform from Ohio-based MBA

Focus, was created to simplify the process. The subscription-based platform stores more than 60,000 résumés of business school graduates and alumni. Recruiters can search for candidates according to job preference, club participation, experience, geography, and citizenship.

"The Haas School of Business at the University of California, Berkeley, uses the program the same way employers do—to identify students by job preference, access students' contact information, and plan appointments," says Lisa Feldman, director of recruiting. "We use it to get an idea of what our current MBA class looks like as a whole."

MBA Focus also uses Global Focus as an analytical tool to track the job, industry, and geographical preferences of MBAs and alumni. Using this data, the company compiles annual analytics reports that it offers to subscribers. (See "Where MBAs Want to Work" at right.)

What's next for the platform? MBA Focus now wants to do more to facilitate remote job interviews, says Heather Krumpak, the company's vice president of school relations. MBA Focus has partnered with Pennsylvania-based InterviewStream to integrate an interview function into its platform.

For future versions of the software, Feldman of UC-Berkeley has two items on her wish list—a way to match students' qualitative soft-skill attributes to companies' corporate cultures and a way to integrate social media. "Questions that would help employers get to know students from a qualitative perspective would really round out student résumés," Feldman says. "And we need a good social media solution to get our messages through the noise to students more effectively."

For information or to read the company's analytics reports for 2008–2009 and 2009–2010, visit www.mbafocus.com.

Where MBAs Want to Work

The top five job preferences of MBA graduates, according to MBA Focus' Student Analytics Reports*:

Class of 2009:

Consulting.....	45 percent
Private equity.....	26 percent
Venture capital.....	22 percent
Investment banking.....	20 percent
Investment management.....	20 percent

Class of 2010:

Consulting.....	43 percent
Business development.....	34 percent
Strategic planning.....	26 percent
Marketing, brand/product management.....	23 percent
General management.....	21 percent

Class of 2011:

Consulting.....	42 percent
Private equity.....	24 percent
Venture capital.....	20 percent
Investment banking.....	19 percent
Investment management/brokerage.....	18 percent

**Graduates could choose up to three preferred industries. Percentages have been rounded to nearest whole number.*

In 2010, not surprisingly, MBA Focus saw students' job searches trend away from financial areas such as investment banking and private equity and toward nontraditional jobs in fields such as strategic planning and marketing. But in 2011, many students once again targeted the finance sector. "During the economic crisis, financial firms continued to keep their brands in front of candidates," says Heather Krumpak of MBA Focus. "But even though these firms are recruiting again, it's unlikely that all graduates interested in the financial industry got jobs there. We don't yet have the information about where they ended up."

The economic downturn offered one advantage for graduates who maintained their resolve to land jobs in finance, Krumpak adds. "Diehards who wanted MBAs because they really wanted to be in finance stood out to firms that were hiring," she says. "There was a better likelihood of the right talent being matched with the right company." 

bookshelf



GOOD STRATEGY, BAD STRATEGY

AUTHOR: Richard P. Rumelt

PUBLISHER: Crown Business, US\$28

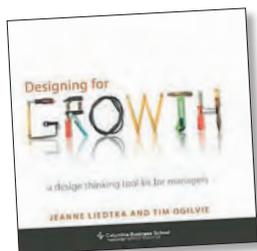
RUMELT'S BLUNT, smart, and well-written book lays it all out in the introduction: “Good strategy honestly acknowledges the challenges being faced and provides an approach to overcoming them.” Bad strategy, by contrast, “covers up its failure to guide by embracing the language of broad goals, ambition, vision, and values.” The rest of the book fills in the details. Executives can craft good strategies by being unexpected, by coordinating actions and resources, by reframing their situations, and by responding quickly to windows of opportunity. They create bad ones by setting stretch goals without identifying fundamental problems and ways to deal with them. Rumelt, a professor at UCLA, offers examples of good and bad strategists who range from Steve Jobs to CEOs at struggling firms to military leaders. His conclusion: “More than charisma and vision, we must demand good strategy.”

DESIGNING FOR GROWTH

AUTHORS: Jeanne Liedtka and Tim Ogilvie

PUBLISHER: Columbia University Press, US\$29.95

“**WHAT WOULD BE** different if managers thought more like designers?” ask Liedtka, a professor at the University of Virginia, and Ogilvie, CEO of the Peer Insight consultancy. New products wouldn’t just be functional, they’d be delightful, more like the Golden Gate Bridge than the San Francisco Bay one. While the authors acknowledge the importance of the businessperson’s cold analysis and ingrained skepticism, they believe designers add value to any conversation about new products. They present the idea generation process in four stages—“What is? What if? What wows? And what works?”—and insist that managers should keep



absolutely open minds as they move from identifying problems to brainstorming solutions. They write, “If we start by accepting all the things that don’t allow us to do something better, our designs for tomorrow will inevitably look a lot like those for today.”

PROACTIVE LAW FOR MANAGERS

AUTHORS: George Siedel

and Helena Haapio

PUBLISHER: Gower Publishing Company, US\$79.95

MOST MANAGERS only think about legal matters during times of stress and conflict, but with a little knowledge and preparation, they can use the law to obtain competitive advantage. Siedel of the University of Michigan and Haapio, affiliated with Finnish firm Lexpert Ltd., note that legal issues touch all aspects of doing business, from making sales to writing contracts to conforming with laws and regulations. They urge managers to follow a four-step plan: understand the law; learn

from legal problems; develop strategies to prevent future problems; and think about the big picture. They emphasize that the globalization of business has greatly complicated the legal environment, and they draw on both European and American cases to make their points. The overriding message is for managers to look ahead: While most legal research focuses on failures in the past, they write, proactive law aims for success in the future.



CREDIBILITY

AUTHORS: James M. Kouzes

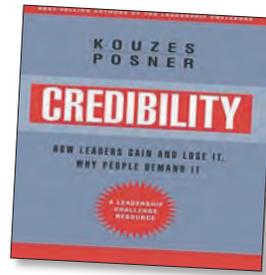
and Barry Z. Posner

PUBLISHER: Jossey-Bass, US\$27.95

OVER THE PAST 20 years, the authors have asked more than 100,000 people, “What do you look for and admire in a leader, someone whose direction you would *willingly* follow?” Across all continents, demographics, and decades, respondents list the same

20 characteristics, and they *always* want their leaders to be honest, forward-looking, inspiring, and competent. Kouzes and Posner, both of Santa Clara University, explain that leaders can become more credible by discovering themselves, appreciating constituents, affirming shared values, developing capacity, serving a purpose, and sustaining

hope. While the authors have updated their classic text with new material, their core messages remain the same. “It is credibility that determines whether people will volunteer a little more of their time, talent, energy, experience, intelligence, creativity, and



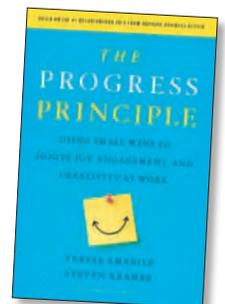
support in order to achieve significant improvement levels. ... Threats, power and position do not earn commitment. They earn compliance. And compliance produces adequacy—not greatness.”

THE PROGRESS PRINCIPLE

AUTHORS: Teresa Amabile and Steven Kramer

PUBLISHER: Harvard Business Review Press, US\$25

“**THE SECRET TO** amazing performance is empowering talented people to succeed at meaningful work,” write Amabile, a Harvard professor, and Kramer, a psychologist. This means enabling workers to develop rich and creative “inner work lives” of emotions, perceptions, and drive, because without such inner lives they will not be engaged enough to do their best. To study how employees react to work situations and how their reactions affect their productivity, the authors asked more than 200 people in diverse settings to keep brief daily journals about events that occurred on the job. They uncovered fascinating details about what causes employees to try harder and what makes them stop caring. According to the authors’ analysis, a manager’s job is straightforward: to facilitate progress in work people care about. When that happens, they write, managers “virtually guarantee good inner work life *and* strong performance.” **Z**



Don't Miss

Storytelling is a fundamental human skill that leaders can use to win followers and that companies can employ to draw customers to their brands, says John Sadowsky in **EMAIL, SOCIAL MARKETING, AND THE ART OF STORYTELLING**. But Sadowsky, a professor at Grenoble Graduate School of Business, points out that we’re no longer gathered around campfires in caves; we’re congregating on Facebook and Twitter, and both individuals and organizations need to understand the way stories get disseminated today through social media. They must “encourage customers to tell stories about their experiences with a product or service.” Sadowsky explains both why and how. (Altal Editions, US\$35)

No matter how many ethics classes they take in business school, executives will find it difficult to do the right thing at work because “organizations do not always welcome their members’ principled actions and may, instead, present obstacles to right action.” So say Debra Comer of Hofstra University and Gina Vega of Salem State University in **MORAL COURAGE IN ORGANIZATIONS**. The authors and other contributors present 14 essays that examine the realities of ethical behavior in the workplace, from the pressures that inhibit moral behavior to the consequences that follow whistle-blowers. Comer and Vega voice an unshakeable conviction: “It is possible, it is doable, and it is critically important to act on our values consistently and deliberately.” (M.E. Sharpe, US\$89.95)

It’s not enough to have a good idea; you also have to sell it to the people who can bring it to life. In **ADVOCACY**, John Daly of UT Austin lays out a plan for anyone trying to convince a company to back a new product or system. While internal politics frequently block radical new ideas, Daly recommends that innovators communicate clearly, generate credibility, build relationships, and follow other key steps. He asks, “How many great ideas for lifesaving drugs, world-changing technologies, and innovative business processes have fallen by the wayside simply because their proponents were unable to successfully advocate for their adoption?” (Yale University Press, US\$30)

idea exchange

Idea

Place student engagement areas outside faculty offices to encourage student-faculty interaction

Location

Elon University's Martha and Spencer Love School of Business in North Carolina, the first school *BizEd* featured on this page in November/December 2001

Love and Engagement

The Goal

In the design of the school's new Ernest A. Koury Sr. Business Center, administrators wanted to make student-faculty interaction not just probable, but inevitable. But when they toured new facilities to find examples of what they had in mind, "we did not see a model that supported student engagement the way we wanted," says Scott Buechler, interim dean. "Faculty offices were always far away from student gathering places."



The Love School's Ernest A. Koury Sr. Business Center

The Solution

Opened in 2006, the Koury facility includes a curved three-story atrium with 12 faculty offices on each floor's exterior wall. Student work tables, lounge areas, whiteboards, and a collaborative computer station are located right outside faculty offices.



Student work and lounge areas are located outside faculty doors in the atrium of the Koury Center.

Considerations

When faculty first saw the design, they were worried about their privacy, says Buechler. To allay concerns, designers included blinds in the floor-to-ceiling windows next to each office door. Faculty can close their doors and blinds when they want to work without interruption.

"This area has become the new library," says Linda Poulson, an assistant professor of accounting. "I can help students work through a problem on the whiteboard right outside my office. All the faculty now have open-door policies—we really get to know our students outside the classroom."

Added Features

Each student engagement area includes a collaborative computer station with a 30-inch monitor and high-volume printer, as well as meeting rooms at the periphery to allow students to gather in private. Students can work in two traditional computer labs, or a third collaborative lab with seven "pods"; each pod is equipped with five networked computer stations that can route their individual displays to a single large monitor.

Results

The facility's features work just as administrators had envisioned—and the engagement areas are the "*pièce de résistance*," says Buechler. "This design fosters an unpredictable flow of activity—a small conversation can grow to a larger, more inclusive conversation with faculty *and* students," he says. "Many faculty hold office hours in these areas rather than in their offices. This arrangement allows our faculty to be visible and present." 