

Management Education at a Crossroads: Evolutionary Crisis or Opportunity?

James R. Bailey, Ph.D,
Tucker Professor of Leadership
Director, Executive Development Programs
The George Washington University School of Business

(The following was a Keynote Address delivered by the author to the Conference on Management and Executive Development Programs in St. Petersburg, FL, on 20 November 2006)

Good morning Chairperson Donahue, members of the 2006 Advisory Board, honorable guests and distinguished colleagues. I am delighted to be here, and to have the privilege of being one of the keynote speakers. Let me acknowledge especially Bob Walter, a longstanding, dear colleague and friend, who initiated this invitation.

I do not know how many of you are instructors, but the 8:00am time-band is widely known as the “dead-zone” because of the groggy-headedness of both participant and professor. I will endeavor this morning to breath some life into this early hour, but if I fail to do so, you can blame Bob Walter.

I would note also that I am a professor and educator, and as such am not accustomed to formal speech-making. Didactic exchange is more my style. Nevertheless, this invitation afforded an opportunity to organize my reasoning in this regard, so deliver a speech I will. I will speak for just over 30 minutes, and ask you to consider the implications of my argument for the platforms which you occupy. I hope for lively discussion once completed.

Back in the 1950's, the Walt Kelly comic strip, Pogo, was at the height of its popularity. The strip was set in the still waters of the Okefenokee Swamp, populated with a variety of characters, each known for his or her down-home political philosophy. The main character was Pogo Possum. There was one famous panel that depicted Pogo responding to Porky Pine with the cryptic message, "Yep, son, we have met the enemy, and he is us."

In preparation for this address, I reviewed the history of business education in America. And after much thought and reflection, it occurred to me that a strong case can be made that Pogo's admonition could apply rather easily to all of us involved in business education. But I will let you be the judge.

Toward that end, I will today examine the seminal evolutionary stages of business-related instruction. This approach will: First, review and assess the intellectual history that foreshadowed the development of business education in America; Second, trace our evolution through founding to present, with special attention to the three periods that punctured the progress, the 1950s, the 1980s and the last five years; Third, propose an explanation for this evolution that maintains the integrity of meaningful intervention from folks like us, and; Fourth and finally, present suggestions regarding the new directions we might consider as we grapple with the challenges confronting the future of business education.

Let me submit upfront that the evolution of business management education can not be understood in the same fashion as the growth of a particular industry, which can be traced

to things like revenue growth and economic cycles. Rather, the stages and design of business management education reflect an admixture of an ever changing intellectual climate in an ever changing competitive environment. Seen in that perspective, business management education has evolved by reacting to both time and circumstance, fighting its way from inception to its present imperfect existence.

I'll begin with something of an intellectual history of business schooling.

Toward the end of the 19th Century, the academic environment was plagued by an effete snobbery that had no place or use for business education. Indeed, the intellectual climate of established educational institutions brooked no intervention by pencil pushers who ran accounting houses or laborers who dirtied their hands on foundry floors.

Accordingly, the precursor history of business education was hardly fertile ground for what was to follow.

Some businessmen argued against a classical education for would-be-businessmen as being ruinous. Carriage-maker John W. Cooper in New York decried the impact of formal study on *“the average boy who...if he has any good horsesense in him [has it] educated out of him.”* In fact, many business practitioners at that time believed that a college curriculum in the 19th century simply did not lend itself to the promotion of business. Andrew Carnegie, writing in an 1899 New York Tribune article, argued that *“college education as it exists seems almost fatal to success.”* Financier Henry

Clews who expressed scorn for a college education when it came to business abilities. *“I do not employ college men in my banking office, none need apply, I don’t want them, for I think they have been spoiled for a business life.”*

In addition to those notions, there was also a strong and abiding distaste for the prospect of changing any college curriculum to include a business education orientation. Even such a world visionary as U.S. President Woodrow Wilson, then president of Princeton University, gasped in shock and astonishment over the idea of collegiate business education. Wilson’s response was an incredulous, *“Why, you wouldn’t have the colleges teach business would you?”* To such people, steeped in the traditional subjects – Latin, Greek, and ancient history – the importation of commerce into the college curriculum, was simply and truly, unthinkable.

Furthermore, unlike colleges and universities that can trace their heritage to the revival in classics witnessed during the Renaissance, business – such as it was – had no similar forward-movement revival. Instead, it remained mired in feudalism, securing for centuries the moniker of guild; and its practitioners wore the mantle of tradesmen.

Also, unlike the long history and prestige associated both with medical and law schools, the notion of a meaningful business curriculum simply had no watershed advancements remotely close to discoveries in medicine and developing legal systems to which it might attach a necessary burgeoning and acceptable reputation.

Unfortunately, business education, even in the late 19th century had, at best, a Johnny-come-lately tag. It took foresight, courage, funding, and persistence to rise above its critics. Consider that the primal ancestor to the modern business school, Wharton, established in 1881, was hardly welcomed with open arms. One of its first professors, Edmund J. James, wrote, “The other departments in the University and most of the other members of the faculty were bitterly opposed to the whole project.”

It is important to mention here also University of Chicago president, William Rainey Harper, who guided the launch of The University of Chicago School of Business in 1898 as the second-oldest business school in the United States. That school was chartered as an extension of the University of Chicago’s founding principles of “scientific guidance and investigation of great economic and social matters of everyday importance.” Even so, this lofty positioning was widely criticized by faculty and outsiders at the time.

And, even though Dartmouth developed and offered the first full time master program in business at the Amos Tuck School of Administration and Finance in 1900, the scope and direction of the curriculum developed by its first dean, Harlow Person, was in large measure rigidly subject to classical liberal arts education as envisioned by Dartmouth trustees.

Yet, even before the formalization of curricula, a few keen observers of free enterprise foresaw a possible need for some kind of instruction in the what, how and why of economic events, especially in terms of profit and growth.

Harvard president Charles W. Eliot, as late as 1905, was holding the line by arguing that the object of education should not be to teach students how to earn a living but to show them how to live happy and worthy lives inspired by the ideals that exalt both labor and pleasure. Nonetheless, Eliot experienced a practical epiphany during the following three years as pressure to open a business school at Harvard mounted. The classically trained Eliot oversaw the opening of Harvard Business School in 1908.

The on-going phenomenon resulting from what we know as the Industrial Revolution, sparked the interest and intentions of people like Wharton and far-sighted business pedagogues. Major changes affecting both the production processes, as well as the advent of new manufactured products forever altered the agrarian-based economy in the US and Europe. The resulting emergent new economic/business landscape spelled the death-knell for small cottage industries. Mechanization gave rise to not only new production methods but fledgling new models for business success.

In addition, the economic infrastructure driven by electrical power, the gas combustion engine, and the telephone made evident the need for business managers steeped in a specialized business-oriented education. As pointed out by G. David Hughes in *Finding a New Way for Business Schools*, “The need to study and teach management practices evolved in the late 19th century when economists introduced management as a factor of production.” The new troika of land, labor, and capital demanded a workable

management framework to optimize production. And this transforming trend caught the attention and concern of the aforementioned pioneers.

Still, in the early 1900s, 20 years after the founding of the Wharton, Chicago, and Dartmouth business schools, the struggle for academic acceptance of business management education remained both real and arduous. For two decades, the idea of teaching any manner of business courses continued to be met, for the most part, with outright derision.

By comparison, the next 20 years saw a tremendous proliferation and clarification of the business school concept. During that time, leading proponents of business education developed appropriate courses of study. They also showed a high degree of sensitivity to public concerns regarding the establishment of institutions whose purpose might be construed as educating people just so they could get rich.

Their collective and ongoing efforts bore fruit. And at the dawn of WW II, approximately 120 business management education programs existed across the country. The evolution of what we do continued from that point forward to be an incredible – and hopefully never-ending – intellectual journey, one filled with pratfalls and pitfalls (some of them self-inflicted), and certainly more than a modicum of success.

Although business schools were in constant alteration, the late 1950s witnessed the first of the post-founding challenges, puncturing the first equilibrium and triggering curricular, structural and value changes that redound today.

Two important studies released in 1959 – critiques really – deserve special attention here. *Higher Education for Business*, financed by the Ford Foundation, and *The Education of American Businessmen*, financed by the Carnegie Corporation represent comprehensive overviews and reappraisals of business education at the midway point in the history of our discipline. Each report questioned the credibility of educational practices. Whereas business schools thought they were responsible for keeping America at the cutting edge of economic competitiveness by supplying graduates versed in the ways of business, the reports condemned the existing curricula as stale, and unresponsive to world competition.

Higher Education for Business, by Professors Robert A. Gordon of the University of California at Berkeley and James E. Howell of Stanford University, described business education in America as "*a restless and uncertain giant in the halls of higher education.*" The authors argued that 20th Century advances demanded new economic, administrative, and technological perspectives and techniques. And the report underscored the compelling need for greater social responsibility on the part of business programs that provide corporations and government with so-called future leaders.

The Carnegie Foundation study, *The Education of American Businessmen*, by Frank C. Pierson similarly concluded that *"the central problem facing this branch of higher education is that academic standards need to be materially increased."*

A much later article in the Economist magazine called the two reports “damning” in their condemnation of *“American business education as little more than vocational colleges filled with second-rate students taught by second-rate professors who did not understand their fields, did little research, and were out of touch with business.”*

Still, on the positive side, both studies outlined a new stratagem for remaking management education – especially in terms of more rigid academic standards. Educators from the entire spectrum of business education paid heed to the call for change. Administrators moved swiftly to recruit faculty from disciplines like mathematics, economics, statistics, psychology and sociology; all fields that had long ago grasped the mantle of bona-fide social sciences. Promotion and tenure standards similarly shifted upwards—jettisoning once and for all the “old boy” mentality in favor of scholarly criteria that emphasized publication and grantsmanship. The business disciplines as we now know them—management, marketing, finance, accounting and operations—formed departmental structures and launched journals modeled after their foundational sister fields. We developed specialized responses to identified needs, especially in consumer research and industry finance, and veered away from a generalist orientation to offering concentrations and majors.

In short, business schools, en masse, enjoined the classical conception of the university mission to advance the state of knowledge as its primary goal.

What this experience demonstrated conclusively is that educators, such as us, do listen. Did we get everything right? Hardly. Did we at least solve the big problems and resolve a great many grievances? To some extent, yes; but, apparently, not totally. In fact, the waning decades of the 20th Century witnessed a new round of business education bashing, driven this time by waxing globalization and waning American competitiveness. And again, there is a distinct possibility here that the enemy is indeed us.

In 1980, Robert H. Hayes and William J. Abernathy described the next crisis stage in *Managing Our Way to Economic Decline*. They wrote, “*What has developed in the business community as in academia, is a preoccupation with a false and shallow concept of the professional manager, a ‘pseudo-professional’ really – an individual having no special expertise in any particular industry or technology who nevertheless can step into an unfamiliar company and run it successfully through strict application of financial controls, portfolio concepts, and a market-driven strategy.*”

At about the same time, Jack N. Behrman and Richard I. Levin published their special report, *Are Business Schools Doing Their Job?*. Among their cited criticisms is the charge that business schools “*are generally oriented toward bureaucratic management rather than toward entrepreneurial activities.*” Their report also indicted graduate schools for being “risk adverse.”

The authors offered numerous fixes, including that “students should learn how to learn, and gain a personal commitment to continuing lifetime education and development.”

Furthermore, at the graduate level, the report recommended that schools offer “a complementary and integrative program orientation, rather than one centered on separate disciplines,” and that business schools need to select consciously a diverse student body...so that managers will not come out of the same mold...”

Then in 1985, Earl Chiet in *Business Schools and Their Critics*, focused on the damning sentiment that “*the disastrous American emphasis on short-term, bottom-line management owes less to science classes at Central High than to MBA classes at Harvard.*” This notion resurrected the equally pejorative observation made a generation earlier in *The Organization Man* by William H. Whyte that “in the popular ideology, science means applying ideas; knowing how, not asking why.”

Chiet noted further that by 1980 “*there was widespread support for the conclusion that the nation’s competitive problems were in large part attributable to managerial problems, which could in turn be traced to business education.*” But unlike Behrman and Levin, he lauded the response business schools faculties made to the new criticisms. And he pointed out “the changes recently made in many institutions reveal increasing faculty agreement.”

This amply testifies to the idea I mentioned earlier that as concerned educators, we do in fact listen, and do so with an open mind willing to tinker with our approaches and products to achieve the higher goal.

However, also writing in 1985, Raymond E. Miles tackled content and relevance. In *The Future of Business Education*, Miles cited criticisms ranging from “*polemic indictments of business education as the prime cause of all our economy’s industrial woes to more reasoned concerns that business programs, even in the better schools, are in danger of slipping out of synchronization with emerging business and organizational needs.*”

Miles spoke to the need for a fairly grandiose series of six differing levels of business education programs. And while he was correct in asserting that each level already had a current model or was under consideration at one or more schools, the actual follow-up to his suggestions has never been precisely measured. What stands, however, as a conduit to future excellence in business education is his unqualified support for closer working relationships between business schools and both the letters and science departments on most campuses. Moreover, his mantra that “narrowness is the continuing nemesis of all professional education” remains axiomatic.

For their part, Lyman W. Porter and Lawrence E. McKibbin in *Management Education and Development: Drift or Thrust into the 21st Century*, cited the two outstanding criticisms that applied long after the upheaval following on the heels of the change in the 60s and 70s. The first consideration involved “*insufficient emphasis on generating*

‘vision’ in students;” the second involved “insufficient emphasis on integration across functional areas.”

It is interesting that in addressing both questions, the authors treated each area as somewhat ephemeral. They argued that the ‘vision’ “has as much or more to do with the way various courses are conducted and taught as it does with the content of the curriculum:” a point I will return to later. Furthermore, the authors wrote that integration across functional areas will continue to suffer because “the modern world of business is not very accommodating... and many schools, perhaps most, are relying on the single ‘capstone’ business policy course...having it carry the major integrative load across functional areas.”

Our response was once again precise and decisive. Concern over globalization and international competition was answered by the introduction of a host of courses on these subjects. Similarly, ethics and social responsibility rose to prominence in curricular and research agendas. Finally, charges of narrowness were addressed through increasing use of internships and through the integration of the nascent field of entrepreneurial studies.

All was quite on the management education front for the remainder of the 20th Century. But that was soon to change. And that change was to foist itself rudely upon the scene from some of the most respected members of the academic community.

Out of nowhere, and appearing in 2002 in the *Academy of Management Learning & Education*—the journal for which I serve as editor—a paper Jeffrey Pfeffer and Christina Fong entitled, *The End of Business Schools? Less Success Than Meets the Eye*, started with the notion that “at first blush, business schools are the success story of late twentieth-century education.” But the authors wasted little time in their article before shooting down that beginning postulate. The article pointed out that “*a large body of evidence suggests that the curriculum taught in business schools has only a small relationship to what is important for succeeding in business.*”

The Pfeffer/Fong approach underscored the barriers to change, particularly the inertia that is inherent to any status-based system. They argued that in such a case, “*it is scarcely in the interests of those schools winning the competitive war for status to change the rules of the game that have put them on top.*” This does not augur well for implanting or implementing the types of things needed to re-focus business education. And it matters little that the authors insist that change is necessary, using the circular argument that if schools do not change, their very existence is likely to be threatened.

There is yet another offering regarding what is wrong with the mature business school marketplace. Arguing that “genuine reform of the MBA curriculum remains elusive,” Warren G. Bennis and James O’Toole in *How Business Schools Lost Their Way*, state “*we believe it is because the curriculum is the effect, not the cause, of what ails the modern business school.*”

Their curious interpretation – one that is largely based on what is called ‘physics envy’ – suggests that “*top faculty members have few responsibilities other than to attend to their disciplines.*” What is even more telling is their belief that “*although few B school faculty members would admit it, professors like it that way.*” Their simple combative approach to this dilemma is a belief that “the most effective levers for overcoming this resistance are personnel policies related to recruitment, promotion, tenure, and other academic rewards.”

In juxtaposition, Henry Mintzberg confidently claimed in *Managers Not MBAs*, “It is really all so simple: We just need to change our concept of the world of management education.” For starters, the author “*questions the very notion of ‘curriculum,’ certainly with its order and sequence; most management education has too much structure already.*” He developed eight separate propositions for management education that, while thought provoking, are inexorably bound to those with management experience only. This limits severely the application of his “solution” to a broad and important contemporary business education challenge.

Finally, Sumantra Ghoshal’s article, *Bad Management Theories are Destroying Good Management Practices*—which also appeared in my journal—cut right to the chase by stating unequivocally that “*many of the worst excesses of recent management practices have their roots in a set of ideas that have emerged from business school academics over the last 30 years.*” The author’s condemnation does not end there; the article suggested

that “by propagating ideologically inspired amoral theories, business schools have actively freed their students from any sense of moral responsibility.”

Ghoshal posed the interrogatory that “if both common sense and empirical evidence suggest the contrary, why does the pessimistic model of people as purely self-interested beings still so dominate management-related theories?” and arrived at the conclusion that “nothing is as dangerous as a bad theory.”

But his proffered solution – a type of an autocracy of deans – is discomfiting in both its probability and effectiveness. And so, while the author might have identified correctly some of the chinks in the current business education armor, he did not go far enough in resolving the apparent conflicts indigenous to bad management theories.

So what of this founding and the unsteady punctuated equilibrium that was to follow, from the 1950s call for academic credibility, to the 1980s concern over a newly intense competitive environment, to the millennial charges of irrelevance and perniciousness? How do we explain this progression in terms that offer meaningful promise for what we face today?

There are only two routes. The first is a Darwinian interpretation that favors a materialist explanation. That is, things have unfolded as they must, and no kibitzing by the likes of us mere mortals makes much of a difference. Second, we could shed the yoke of

predetermination and accept the responsibility incumbent upon actors in an improvised play, or more aptly, architects of an educational infrastructure.

Both in sum and substance, the above observations and critiques would seem to defy that business school education amounts to little more than the turning of a small cog within a larger socioeconomic clock over which no one has control. I would submit that in contradistinction to that interpretation of what has transpired during the 100+ years of business management education, the extensive and varied commentaries previously examined indicate clearly the responsive nature of people engaged in our discipline. In fact, business educators can be satisfied with having done yeoman's work throughout the past century in taking steps to improve the quality of the overall system. To a certain extent, the business management education community has continually set the stage for relevance and value. We are reaping those benefits even today.

And as a field, in and of itself, business management education truly enjoys a welcome – and well-earned – surfeit of continuing prestige and overall excellence. To a great extent, this represents a compelling de facto rebuff of any “cog in the clock” metaphor. More important, the growth and response pattern clearly begs a more reasonable assessment of the big-picture business education landscape.

I submit that a better metaphor than the “cog in the clock” is the “ghost in the machine” or “deus ex machina”. That is, you, me and our progenitors have created modern

business education, for good or for ill, in response to the environmental demands, be they from clients or critics.

My point is that the current climate is of our own making, and as such bestows upon us the volitional responsibility to shape the field. The incredible changes and fluctuations which have characterized the history of business management education are best explained by our collective decisions. Most important, the subsequent dedicated linear historical trend lends itself readily to meeting future challenges as opportunities, rather than mere hand-wringing angst or erecting alibis for complacency.

The importance of this supportive optimism can hardly be overstated. Consider that despite over 100 years of near straight-line growth, our discipline is at an important crossroad. And the next right-path step is not all that clear. The ebb and flow of both practical and academic success has become of late, superbly blurred. And it seems apparent that what we are doing is perilously out of focus. Nonetheless, we are obliged not to tarry in responding to perceived needs as they arise.

By now, I believe that you have guessed the obvious. Very simply, our history has not been an easy ride. What is more, the turmoil has been ongoing, and that is not likely to change. The commodity known as business education – no matter what the exact appellation – has forever been, and will continue to be, characterized by reactive responses to a wide variety of command audiences. Those audiences range from academic peers to other college faculties to corporations to students (both professional

business people and young collegians) to government officials to journalists to the nowadays bloggers.

Meeting that wide range of expectations has a tendency, I think, to sometimes twist unmercifully in the slight winds of need and desire. We are constantly at risk of chasing fads and fashions as opposed to fundamentals and foundations. Yet, we are not now – and never have been – devoid of options. They have been plentiful, and they have been well promulgated.

Since its inception slightly over 100 years ago, management education has, like all practice disciplines, gone through periods of gradual evolution and wresting revolution. An examination of the animating forces suggests the composition and demands of constituencies like students and recruiters, global economic trends such as international competition and the shift toward service organizations, the professionalizing of management academics as reflected in things like accreditation standards, and the general intellectual climate, including dominant or emergent methodological and theoretical paradigms, have all played an intricately interconnected role.

Moreover, the last few decades have witnessed the emergence of a host of other forces that have yet to be reckoned with. These include, but are not limited to, the maturation of business school as an industry, the delivery possibilities proffered by new technologies, the commoditization of the MBA as a credential, growing doubt as to the value added to

practice by management scholarship, and the sharp rise in customized educational platforms.

The penultimate question is: Can we respond fairly and forthrightly? Can we, once and for all rid ourselves of the damnable label that “the enemy is us?”

The answer is a resounding “no.” Sitting as we do, at the top of the higher education pile, and with prestigious consulting firms like McKenzie working to mimic our wares, we are in the sights. As such, we are targets—floating watermelons—begging to be savaged by accreditors, constituents, clients, and most recently, ourselves.

But therein lays our hope and possibility. Our sister disciplines—law and medicine—are sorely needed in this world. But history shows—not the history of the past ten decades of business schools, but human history in toto—that economic activity is critical to human societal development. We have to consider our occupations as honorable ones that are not merely about money, but rather advance societies in very real ways.

Arriving at a credible plan for dealing with the problems and opportunities that are surely on the horizon will not be an easy task. The two-pronged juggernaut of criticisms and suggestions regarding business education has become a long-standing virtual cottage industry. In the process much is asked of – and much is expected from – our pedagogy, perhaps more so than any other single educational discipline.

All of us want to go beyond the banal belief of many students that an MBA is easy way to make easy money; or that for the past quarter century, we have been producing a virtually army of tin soldiers armed with outdated models or rigid research schemes that are devoid of real leadership potential.

We must begin now to rectify the situation – not merely as a response to what is becoming, or in some instances has already become, long-standing criticism of business education programs and operations. Toward that end, I propose the following:

First, we need to establish a portfolio model of faculty. Despite popular conceptions to the contrary, we professors *are* human. And like our counterparts in the rest of the world, our aptitudes and interests vary. As in any organization, different people have different skills that fill different, though equally important, roles. Unfortunately, the prevailing assumption is that the teacher, researcher, practitioner and university citizen must be the same person. This “great person” theory was dismissed in leadership studies forty years ago, but is still all too popular in promotion and tenure deliberations. Ideally all these talents will be embodied in the same individual; but short of that ideal, what is most distressing is that teaching mediocrity is consistently tolerated where research mediocrity is not. This selection mentality is grounded in the pervasive idea that knowledge creation is the premier rewardable skill, *and* that it should necessarily be carried out by the same person who is responsible for knowledge dissemination.

Although quality education must be linked to quality research, there is no reason to assume that active researchers enjoy sole custody of either the knowledge or the delivery skills most appropriate and relevant for undergraduate, masters, doctoral or executive student constituencies. As researchers naturally and progressively focus their studies to gain greater depth, they might sacrifice the breadth that would place that knowledge into a context more conducive to teaching and learning.

The portfolio prospect proffers both opportunities and problems. A given school might appoint, recognize, and reward faculty with differential responsibilities for creating and disseminating knowledge. Excellence in either or both areas would be rewarded with equally prized senior professorships, endowed chairs, tenured status, and significant discretionary funds and perquisites. Such an approach would allow those with increased research responsibilities to devote their time and talent to top-quality research, relatively unencumbered, while the out-of-class activities of those with increased teaching responsibilities could focus on staying abreast of relevant literature and developing innovative instructional courses and programs. If properly managed, this portfolio model would create a balanced human resource infrastructure capable of addressing a broad array of institutional missions.

However, the success of this portfolio approach requires a supportive institutional culture, at both formal and informal levels. Research and teaching faculty must enjoy each other's mutual respect and admiration for the value of their contributions to advance overall institutional goals.

The most obvious potential pitfall of this arrangement would be the unintentional creation of a caste system wherein one designation of faculty is perceived as superior to the other. This situation now exists in many institutions that devalue teaching contributions or have subcontracted the major instructional mission to instructors whose titles and compensation belie a “separate and unequal” faculty culture. By turns, institutions must become significantly more sophisticated at evaluating teaching capability and rewarding examples of excellence. Developing these standards becomes even more critical as many institutions turn to an increasing number of part-time faculty to bear the burdens of an institution’s instructional program.

Implementing a portfolio model—with professorial responsibilities built around either teaching, research, practice or service, so some combination thereof—is not without hurdles, but it will, ultimately, enhance the connection between the real time business world and institutional instruction.

Second, and in a continuing related vein, we need reconsider what it means to be a scholar. In 1990, Ernest Boyer, President of the Carnegie Foundation for the Advancement of Teaching, authored a wonderful book called *Scholarship Reconsidered*, in response to what he saw as a narrowing definition of scholarship among the nation’s elite academic institutions--a trend which seems to have continued unabated over the last fifteen years despite Boyer’s call. In an effort to move beyond this constricted

conception, he argued universities should broaden their definition of scholarship, and advocated four different forms that contribute equally to the academy.

The *scholarship of discovery* is probably synonymous with what academics, and even the public at large, describe as research. It is the freedom to think about problems from unrestricted new perspectives, the ability to pursue knowledge for its own sake, and the capacity to investigate ideas without constraint on the type of questions one can ask. This is “basic” research. The *scholarship of integration* emphasizes the need to make connections across the disciplines, to extend knowledge obtained through discovery to comparable knowledge derived from other disciplines and paradigms—thereby gaining “interdisciplinary” relevance. The *scholarship of application* is the third form, in which scholars inquire about the ways that hard data can be applied to important practical or social problems. Finally, the *scholarship of teaching* investigates the dissemination of knowledge derived through discovery, integration and application.

Boyer’s framework offers those involved in management education—scholars, educators and administrators alike—an opportunity to expand, recognize, and legitimate different forms of inquiry into human, social organizational problems. However, as Boyer laments, the scholarship of discovery has become the most privileged criterion for allocating formal and informal internal rewards—such as promotion, compensation, release time, chaired professorships and discretionary budgets—and external esteem—such as fellow designations in major associations, keynote address invitations and editorships of major journals.

This privilege system should be reconsidered, and ultimately discarded. If good teaching is as instrumental to business school success as good research, both skills sets should be equally rewarded and nurtured. Business schools must recast their understanding of what the scholarship of discovery means in the context of business research. Most professional schools—law, education, medicine—produce work that informs applied problems. However, the trend in many business schools—particularly high status research universities—has moved away from applied problems of the profession toward the creation of new knowledge in the core disciplines from which that knowledge was drawn. Traditionally, fields like management, marketing, finance and operations drew basic tenets from psychology, sociology, economics and mathematics to address corporate problems. But increasingly, these lights have set out to create new theories of human behavior that may or may not directly relate to recognized business issues. In fact, such “basic” research is now seen as more prestigious and critical to first-class scholarship than studies oriented toward real-world dynamics. This disengagement from practicality is precisely what Bennis and O’Toole bemoaned as the core reason for tenured faculty moving away from engaging the business world.

Accreting the franchise has other benefits. Research productivity requires a critical mass of faculty who are well trained in scientific conceptualization and execution. Thus, the institution must commit to supplying doctoral students or research assistants, attracting grants and independent funding, and affording release time for junior faculty and highly productive scholars. Top research universities have such resources and use them to

cultivate a culture that emphasizes the scholarship of discovery as a dominant criterion for faculty reward and promotion.

However, it is particularly remarkable that such pressures for faculty research productivity prevail in institutions that lack a strong research ethos or the financial and facilities resources to attract, support and nurture a research faculty. In response to such confusion, AACSB member institutions—and the AACSB itself—should reaffirm a broadening of what is recognized and rewarded in a way that is consistent with the Boyer model. The scholarships of integration, application and pedagogy are equally valid forms of inquiry, and variations in their emphasis may enable institutions to define excellence in their mission in a manner that does no violence to the scholarship of discovery.

Third, we need to more tightly couple Advisory Boards with faculty and the life of the institutions. The Board of Governors/Advisors at most schools are composed of business people who have an enduring stake in the institutions success. Their role is a strategic one, where they serve as primary conduit between the world outside and the cloistered ivory tower. But I've yet to see a single advisor board deliver on its charter. I don't necessarily blame the boards for this. Instead, my suspicion is that dean's protect them from the faculty. I've often felt that my own dean is worried that we faculty are so socially maladroit that we'll embarrass her. Nevertheless, it is incumbent that institutions adopt procedures that promote interaction and involvement between faculty and boards.

Fourth, executive education needs a bigger say in university governance. Perhaps those of you from academic institutions will agree with this point? About two decades back folks like you began to see the business school as a consultancy—a repository of intellectual and delivery capital, and, if you were so lucky, a “brand”—that not only held the potential for non-degree executive education, but by fiat demanded it. By all accounts the revenue generated by the BBA is absorbed by the central administration, the MBA breaks even, and doctoral programs hemorrhage funds at an astonishing pace. Executive education increasingly provides the financial resources required for a business school to be a business school. I assumed the post of director of executive development programs at GWU in June of this year. In those six months, I’ve billed around 1 million with around 600,000 in expenses. The remaining \$400,000 is split between the vice president’s and dean’s offices to support other initiatives. We must pay Caesar his filthy lucre!

In the economics of the modern business school, I wonder where it would be without the fruits of our labors. We’ve made the pie bigger. Shouldn’t we, then, have a stronger say in the operations and strategy of the institution?

It is imperative, I think, that these four elements find fertile ground, and find it sooner rather than later. Otherwise, there is a distinct possibility that our respective roles as business management educators will be tarnished by our collective insouciance regarding the real opportunity for renewal and improvement that now exists.

Such an outcome would merely serve to give credence to the moniker, “the enemy is us.” But personally, I believe that we have gone far beyond that. Indeed, it is clear from reviewing the evolution of business management education over the past 100+ years, that with insight, tenacity, dedication, and professionalism, we have met each crisis by forging opportunities and solutions. We are at a crossroad right now where we are obliged to do the same.

In the process, we are obliged to avoid being identified with Dr. Howland Owl, another of Walt Kelly’s swamp denizens who was the swamp’s self-appointed resident professor, doctor, explorer, witch doctor, and anything else he thought would generate respect for his knowledge. In his earliest appearances, he wore a pointed wizard’s cap. Thinking himself the most learned man in the swamp, he once tried to open a school but had to close it due to lack of interest.

I believe that we can all rest assured that “lack of interest” is not a problem when it comes to business management education.

Thank you. In the time left, I would be happy now to take any questions, and open this matter up to discussion and debate as we collectively seek to move forward.