

The State of Business Education and Research - Perspectives from Educational Leaders around the Globe

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What changes are affecting business education today? How are business schools responding to challenges and opportunities of the contemporary environment? We asked six business school leaders to share their thoughts with our readers. Each is a distinguished business educator and leader. They represent six world-class business schools and varying geographies – Europe, U.S., and Australia.

Below, we provide their perspectives in response to the following questions: (1) What are the pressing issues in business education today? (2) What are inadequacies in business school research? (3) What strategic initiatives are you pursuing in your own institution. They were also invited to offer additional thoughts.

You will find these perspectives to be thoughtful, forward-looking, and compelling. Collectively, they give us assurance that creative and proactive responses are in place in response to the remarkable challenges of the day. Enjoy and feel free to share with your colleagues.

1. What do you consider to be the top 3 shortfalls (inadequacies/ pressing issues/ challenges) in business education today?

Lei Lei, Rutgers Business School: The three most pressing issues for B-schools, especially for public business schools, are competition for the highest ROI, program access and affordability, and the trend of declining enrollments.

The competition for ROI has made it imperative for a business school to make innovative curricula changes for leading-edge education, to offer more electives and case studies for relevance, and to prepare students with knowledge of emerging markets, which has been shifting in both scale and speed on the global economic landscape, for their long term career success. At Stanford Business School, for example, 150 unique elective courses are offered to graduate students, about a quarter of which are brand new courses, and 50% of which were not offered four years earlier. At Harvard Business School, which is known for its case study method, students have opportunities to study hundreds of different cases over the course of the program, and such case studies represent 80 percent of class time.

All public B-schools are facing pressure to increase access and affordability to their programs from millennials and from the change in demographics. This pressure forces B-schools to make more offerings outside the traditional business programs, which range from specialty master's degree programs, innovative business minors, various online education offerings, and non-degree job skill training programs that demonstrate the social responsibility of a B-school.

It is known that for a majority of B-schools, applicants and enrollments in MBA programs, which are among the most profitable revenue generators, have been falling continuously. Many believe that such enrollment declines are due to the low-cost online programs, elite programs that are offering free online MOOC courses, specialty master's degree and/or undergraduate students hired by recruiters to do MBA jobs, and the uncertain economy.

Richard D. Phillips, J. Mack Robinson College of Business: As it is presented, this question is difficult to precisely answer since "shortfall" is defined three different ways. Inadequacies (where business education is insufficient) are different than pressing issues (the important problems of the

day), and both are different than challenges (the difficulties of addressing the pressing issues). Answers to this question will likely vary depending upon how each respondent defines shortfall. To be clear, my answer defines a single inadequacy of business education, and then what we consider to be the top three challenges that generate this insufficiency.

At Robinson, we contend the overarching shortfall for business education is the disconnect between the labor market that business educators want to prepare people for and the actual needs of today's labor market and the yet-to-be-imagined jobs of the future. Specifically, vastly more powerful information and communication technologies are dramatically reducing the number of people that businesses must employ to engage in the mechanically-intellectual work of managing processes, accounting for transactions, controlling distribution systems, or any number of other jobs for which business schools have traditionally prepared our students to enter. Instead, an increasing number of machines and devices will make sure that organizations stay on task.

Thus, the work that remains to be done by future employees will focus less on management or administration, and more on entrepreneurial value creation with an innovation mindset. Our programs have not kept up.

As exposition, consider the accounting profession, which, according to PWC, is at the "epicenter of the data explosion."¹ Talk to the managing partner of a Big Four accounting firm, or to the chief financial officer at many companies, and you will likely hear them lament the inability of their current staff to harness the value they believe is hidden in the data they collect. Despite this challenge, how many business schools have thoroughly reconsidered their accounting curricula to produce the next generation of employees who can address what keeps these professionals awake at night? This example is not meant to indict accounting programs, as it can easily be applied to almost all majors and degree programs of many business schools.

So, why don't we just change our curricula? Putting it succinctly, because it is hard. Faculty governance of curriculum changes, limitations and incentives associated with tenure and tenure processes, pressures from accrediting bodies and professional associations, and even, perhaps, faculty expectations of academic freedom all work to create a mismatch between the resources required to remain relevant and the existing faculty skills and organizational systems we have to work with. Educational leaders can attempt to manage around these 'sticky' commitments, but often times doing so is cost prohibitive, especially in the short run.

The current pace of technology only serves to increase this tension between the needs of the marketplace and our ability to adapt our modal instructional capability to remain relevant. As one example, the forthcoming

installation of cognitive computing broadly across business platforms only will accelerate the trends we already are witnessing. Creating more nimble and adaptive business school organizations will be a key determinant of our success to remain relevant for the future.

Barbara Stöttinger, WU Executive Academy: Today's global business environments are often described as VUCA – volatile, uncertain, complex and ambiguous. These uncertainties come from major disruptions in firms' environment such as digital transformation turning existing business models upside down, as Uber or AirBnB clearly demonstrate; they are to be found in political challenges such as the Ukraine-Russia crisis affecting international business relationships within Europe and beyond; or the volatility of energy markets with the low oil prices affecting companies and economies to only name a few. However, change is not novel to the international business context, it is the increasing speed, the amount and extent of factors impacting businesses that has changed.

For Business Schools, the question, therefore, arises as to how we can keep up with the dynamics of today's business world, and how our programs can best support international managers in their endeavor to master their challenges.

At least three responses will be needed: (1) how do we integrate these rapid developments into our executive education from a content perspective so that executives and high potentials still find business opportunities and are optimistic about their and their company's future; (2) next to key knowledge and skills needed for these turbulent environments, we also have to rethink timing and mode of content delivery to stay relevant to our customers; and (3) how can we generate a continuous learning journey together with our customers so as continuously support their development and stay relevant as *exed* (i.e., Executive Education) institutions. This needs a change in strategic orientation from transactional ("selling an MBA program to a customer once") to a relationship perspective.

Peter Moizer, Leeds University Business School: The first shortfall that I would identify relates to how business schools prepare women to succeed in the workplace. There is a tendency to think that this cannot be a problem because of the greater number of women in the student body and the generally higher levels of achievement of women compared to men, as measured by their performance in assessments. However, although women may do better than men whilst in higher education, this does not translate into gaining executive positions in the work place.

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I think that there is a case to be made that we should aim to equip women with the skills needed to succeed in the world of work that plays by rules invented by men. These would include: how they can navigate the traditional male networks, how to deal with issues surrounding career maternity breaks, child care and work life balance more generally as well as raising awareness of why women do not reach the same levels as men in the workplace. Part of the problem with introducing such material is the negative perception that is often attached to “feminism” rather than understanding that it is harder for women to succeed in many professions because the work environment and the rules for success are geared to traits traditionally associated with stereotypical male behavior.

My second shortfall would be the issue of how we prepare students for the world of constant technological change. This is more than simply being able to adapt to whatever is the latest IT phenomenon. It is recognizing the power of computerized programs to take over a lot of mundane office work, traditionally undertaken by middle class workers. This will have particular impact on workers in the finance, banking, insurance and legal professions, where much of the data collection and data manipulation can be performed by machines. We are already seeing how boot-strapping computer programs in the medical sector can provide better diagnoses than doctors because of the ability of the diagnostic machine to interpret more data more quickly and relate it back to a store of medical knowledge.

My third would be the problem of convincing MBA students that soft skills are important to them as potential managers. There is a lot of emphasis on mathematical modelling and the need to make presentations of data and ideas in a convincing way. Whilst these are important skills, the issue of emotional intelligence and the need to understand people is seen as being of less importance. Leadership skills are often seen by students as convincing colleagues that they should be listened to and agreed with, rather than trying to understand the positions of others.

Cüneyt Evirgen, Sabanci University: Clearly, the current business environment is in flux, posing formidable challenges for business education. The increasingly competitive professional work environment and the increasing pressures of industrial convergence, globalization and heightened competition are surfacing some critical needs. Moreover, management education has been accused of contributing to the systematic failure of business leaders triggering the financial crisis in 2008.² Business education needs to respond to such pressures. I will reflect on challenges facing business education from the perspective of one of its main stakeholders, namely businesses themselves.

Business education itself tries to support development and sustainable growth of businesses through generating and disseminating new knowledge (in the form of theories, concepts, models, techniques, etc.) to help business owners and professionals make better analyses and decisions. Such knowledge is embedded in the curricula and delivered to the students to equip them with the necessary knowledge and skills they will need at work. Since businesses represent one of the main groups of beneficiaries of business education, their needs should be taken into account and be one of the major guides in business education.

I believe a key shortfall of business education is the absence of relevance to current business realities. If business education is not closely linked to such realities business school graduates will struggle to relate what they have learned to the professional work environment. One of the major complaints coming from seasoned executives is that business program students graduate with a lot of knowledge, yet they have to learn about business once they commence working. Catch-up, on the job training becomes an imperative.

This challenge becomes significantly more critical when we consider executive education in business. Since students/participants in an executive program already have professional experience, they have much more focused, clearer expectations. They wish to acquire skills and develop competencies that they know how to apply at work. Indeed, best practice examples in executive education clearly indicate that their success is based on having a satisfactory level of practice-orientation.

The second major challenge business education is facing appears to be adapting to the changing needs and expectations of both the students and the businesses. The business curricula need to reflect such adaptations. Today's business environment requires the business school graduates to be equipped with the necessary knowledge and skills in a variety of areas that are significantly important for the success and sustainability of businesses and healthy operation of markets worldwide. Among these are international business, ethics, sustainability and stakeholder management and professional soft skills such as leadership, coaching, teamwork. Since typical core curricula tend to exclude such topics as core courses and handle them via electives, adaptation of the curricula to include such topics will be a major challenge.

The third major shortfall in business education is the result of the silo structures of different disciplines in business schools. High and strong walls built around each discipline present major obstacles for their integration. However, today's business realities require integration of these disciplines through interdisciplinary research and teaching. One of the major challenges business organizations across industries face and try to deal with is the silo

structures between different departments or functions in the company. How can business schools help these companies in tackling this challenge when they are structured similarly themselves?

Lastly, let me also conclude by underlining the changing context within which business education exists which is what is referred to as Industry 4.0 in short. Advances in technology have been impacting people, businesses, countries, societies in a variety of ways which is expected to increase at an accelerating rate. Using developing technology in and out of the classroom is one such impact and as tablets, smart phones and alike are becoming staple tools for students of all ages, deployment of such tools provide a great asset for business education. Applying new technology and incorporating various action learning tools should be a great opportunity for business schools.

Marie Wilson, University of South Australia: Business Schools have much to offer the emerging STEM (or STEAM) economy, in the transformation of knowledge into opportunity, organization and economy. There are a few opportunities, however, that are not consistently addressed in business education.

First, our journals, cases, and teaching examples tend to focus on two extremes: large, multi-national companies that are recognized brands, and more recently, fast growth, technology-based start-ups. While there is much to be learned in both of these contexts, we under-sample and under-represent the organizations that dominate most of the for-profit economy, globally: small to medium sized organizations that collectively employ the majority of the private sector workforce, generate innovation and capacity in the economy, and present the greatest economic points of leverage in many economy's growth and transformation. By limiting engagement with these companies we do not present a full view of business and industry to our students, which distorts both their understanding and their career trajectory. We also limit the impact and relevance of our research, and we fail to engage with the portion of the economy that has tremendous capacity to grow and transform. We are also surprisingly silent on public and not-for-profit organizations which are undergoing profound business transformations, as well as changing the context – and often the business models - for other organizations and consumers.

Second, our educational approach still tends to encourage students to atomize and analyze, rather than integrate and act. Students approach knowledge within disciplines rather than across problems and solutions, in relatively homogeneous knowledge groups. There is much we could learn from health and medical education in the extension of foundational knowledge across disciplines, and then advanced, intensive training in

diagnosis and treatment, and increasingly taking a proactive, preventative approach to wellbeing by integrating a systems perspective into future advice.

If business education were to function in this way, we would see much more studio and project work throughout business education, as well as enhanced feedback and follow-through to understand the short-term and long-term impact of decisions. We would also see learning that was iterative and under expert guidance and mentoring that revealed how to identify and address business problems, understand complex and dynamic systems, and plan for sustainable futures and responsible action.

Third, our educational systems, from bottom to top, artificially reduces diversity and limits the natural development of social awareness and collaboration. Education segregates our students by age and experience cohorts, performance cohorts, and socio-economic and locational groupings. Life, and work, are more diverse than we have ever previously encountered and are increasingly dissimilar to the experience of business education. The transformation of education and healthcare mean that we now face the most age-diverse workforce in our industrialized history, and the transformation of expectations and legislation will accelerate this. Yet age-based stereotypes are probably more prevalent and socially sanctioned – particularly in education - than those accompanying other forms of diversity (e.g. gender, ethnicity and national origin, amongst many others). The challenges that this presents to the development of our students are profound, and should transform the way we approach everything from teamwork and problem-solving to design-thinking, ideation and strategy. We need to develop our students' "social brain" to allow them to adapt and grow in their future lives.

2. What gaps or inadequacies do you see in business research as it is reflected in academic journals? What topical themes or types of research are missing in the academic literature?

Cüneyt Evirgen, Sabanci University: I think practice-oriented research should be equally valued as theory or knowledge-generation oriented academic research. These two streams of research, if carried out in a multidisciplinary approach, are equally needed. One is on generation and further enhancement of new theories and concepts to further enhance the scientific knowledge base needed. Second is practice-oriented research, obviously based on a sound theoretical foundation that attacks managerially relevant and current challenges in the business world. As functional silos represent one of the major obstacles in many corporations preventing efficiency gains and sustainable profitable growth, so are the departmental

or disciplinary silos in business schools. More interdisciplinary approaches are imperative to ensure the sustainability of both new knowledge generation as well as dissemination. This is a major paradigm change for business schools as individual disciplines have built high and strong walls around themselves. Interdisciplinarity in research will also facilitate interdisciplinary teaching as well.

Another issue is related to timing of academic articles. No matter how current the research is at the time of its conduct, the data and/or the issue and/or the managerial implications become out-of-date by the time it gets published after clearing multiple levels of review and revision. This, in turn, reduces the value of the research for business practice. As a result, business professionals tend to follow trade or business outlets for information rather than academic journals. The academia needs to find a way to shorten the time review and publication processes take without losing quality. The disconnect between research activities of scholars vs the issues or challenges in business practice needs to be tackled. Academic research to generate new knowledge or advance or validate existing knowledge is an invaluable asset; however, the link between such knowledge and business practice needs to be strengthened. This is imperative to be able to translate the positive impact of new or existing knowledge on business practice.

Peter Moizer, Leeds University Business School: The biggest problem that I see in the world of academic research is the nature of the publication process coupled with the way that deans of business schools value researchers using the criterion of where a researcher publishes. This, in turn, influences the review and editor acceptance process. What seems to matter most to top journal editors is the techniques that have been followed when conducting the research rather than the inherent value of the research.

Reviewers likewise are infected with the need to find fault in the techniques being used rather than in assessing whether the research has anything significant to say to society at large. When deans then judge an individual by how many papers they have had published in a top journals, the process is complete. All the incentives are to produce narrow specialized papers that are technically first rate but which have little to say that is of value to the business community or society more generally.

In the UK, the government has tried to counter this trend by introducing the concept of impact into its *Research Excellence Framework*, where impact is assessed by a panel of academic experts for the degree to which the research has changed the way that companies or governments behave. One notable feature of research that leads to impact is that often it is conducted over several years to generate longitudinal results. Taking time to produce

results does not match the academic researcher's need to get articles published in top journals, i.e. there is an inherent short-termism to academic research publication. The measurement of impact has produced some interesting results because research with the most impact is rarely published in the top journals and the creation of impact is often achieved by communicating the results through channels other than journals. Yet despite this, deans will still judge researchers on how many top journal articles they have produced.

For me, one of the biggest disappointments in academic research in recent years is an in-depth discussion and appreciation of the problems that led to the financial crisis of 2008. There appears to be little discussion of the financial crisis in general and what needs to be done to lessen the chances of it happening again. Most finance research assumes that models relating to shareholder wealth maximization are still perfectly appropriate and that the main issue tends to be how to produce better statistical models. Agency theory remains the dominant paradigm and with it the associated belief that, provided contracts are properly drawn up, then all will be well. Hence what little research that has been done tends to focus on the incentive mechanisms that produced the risk taking behavior that led to bad loans being made, rather than looking at why individuals make choices, which they know are bad for the system, but make them because they personally will benefit.

Barbara Stöttinger, WU Executive Academy: The research we see in academic journals – from a business perspective – does not per se suffer from a misguided topical focus. However, similar to the challenges we are facing in developing our executive education curricula, we need to see issues of relevance and speed addressed more prominently.

The world in which our business professionals operate has become infinitely more complex. This complexity needs to be addressed in the answers we as academics provide in our research. They can no longer come from the silos within which we have developed. We need to take a more holistic, interdisciplinary approach to reflect the systemic and complex business challenges.

Second, the perennial discussion of rigor and relevance needs to be reevaluated from a managerial perspective. While top-quality, rigorous research published in stellar theoretically oriented, academic journals will always be at the core of our profession, leveraging rigorous research insights into more practitioner-oriented journals is called for. Being able to master this knowledge transfer from rigorous theoretical levels to relevant managerial levels needs to receive higher recognition within the scientific community and subsequent promotion schemes.

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Last but not least, “speed to market” in our publications should be of greater concern. By the time, academic work gets published after a long generation process and several rounds of review, it runs the risk of being past the time when its answers would have been needed in the business community.

Lei Lei, Rutgers Business School: Our academic business literature needs more publications that have the impact and power to advance business practices and that catch the opportunities created by working together with industry and cross-disciplinary collaboration.

Working together with industry: Working with industry offers opportunities for understanding the real life issues faced by corporations, observing early signals of emerging problems and future challenges in the global market, and experiencing the value of becoming integral in business innovations. More and more B-schools are facing the growing demand to produce research that guides sustainable and socially responsible business practices. Meanwhile, most business leaders, stretched thin by their day to day issues, are not aware of the cutting edge processes, technologies, and theories that may help their success. Working together with industry could help to bridge such a gap.

Innovation through cross-disciplinary collaboration: The dynamics of emerging markets, the trend of globalization, advances of the digital era, speed of new product designs, uncertainty of the economy, and impact of regulation and government policies have all contributed to the ever-increasing complexity of the business world. Developing insightful research to guide business practices under such complexity requires innovations through cross-disciplinary collaboration. This is particularly true as the complexity and risks of business processes will continuously shift and emerge.

For example, firms in the logistics industry are now facing a continued surge in online-commerce, given that during 2016 an estimated \$2 trillion plus in retail sales world-wide will happen over the internet. How to make consumers feel comfortable with fresh food delivered directly to their home kitchen and refrigerator in their absence requires new business strategies to be developed with the knowledge of supply chain logistics, consumer behavior and psychology, information technologies, and beyond.

Marie Wilson, University of South Australia: The academy has been talking for a number of years about “Pasteur’s quadrant” where research is both rigorous and relevant. Institutionally, however, we are bound by a system that is almost diametrically opposed: our accreditation systems,

rankings and academic HR systems; all reinforce the importance of publishing in a small group of journals that are self-referencing and often removed from practice, both in terms of time to publication, and the generalizability and accessibility of findings. Problems that are complex and multi-disciplinary are not only less likely to garner academic attention, they are less likely to be published, particularly in the journals that “count” in business schools.

We have to encourage bold research that is engaged with the complexity of business problems, and offers such compelling insights that practices and outcomes improve as a result. The move to measure impact in some national systems is an attempt to look beyond publication and citation to use and effect. Aside from being incredibly challenging to attribute and apportion social science research impact in complex social systems, the time scales for impact may be almost generational. More to the point, however, few pieces of business research can be shown to transform practice. This is at least partially the result of lack of engagement between researchers and the reality of practice. It is also the bifurcation in our educational system that does not integrate theory and research into the fabric of business education, so that the utility of research is well-understood by educated practitioners.

Beyond faster publication cycles for dissemination, we need faster translation to end-users of our research and greater co-creation of research programs. An increasing number of national research systems are looking for partnered approaches to research and development, not just in scientific and technical fields, but in all areas of research. We have the opportunity in our business schools to foster engaged research that tackles larger and more complex problems, and to insist on translation and accessibility of research findings to support better business and social outcomes.

There are a number of issues that are not dealt with in business research, generally because of the scale of the system, or the need for longitudinal assessment. Recent failures – of the financial system, for example – have not received the attention or analysis that geo-political failures (invasions amongst them) receive. We have also not looked consistently at businesses and industries as actors in large scale social changes, e.g., in the creation of income inequality and the disappearance or marginalization of cultural minorities, though business schools have increasingly explored environmental impacts.

Finally, business researchers are all aging, but are only slowly tackling the issue of demographic change in their own research. While healthcare and social services – and the attendant disciplinary research – are rapidly changing, business research remains much more focused on organizations that employ more homogenous workforces, or focus on start-ups with

younger workforces. Only the career literature – often missing from the business school pantheon - explicitly targets longer working lives, and the transitional and transformational impact this has on workers, employers and organizational systems and structures.

Richard D. Phillips, J. Mack Robinson College of Business: Let me start by defining what we consider to be the first-best outcome for business research, and then I'll compare that standard to the average of what actually gets produced.

At Robinson, we presume business school research should provide a bridge between what is learned within academia, and practical decision-making by businesses. Like any bridge, this connection can be travelled in both directions. In one direction, there are ideas generated throughout the academy that can rigorously and relevantly be translated into useful applications for business. We strongly support such conceptual research.

Similarly, another role for business school research is to identify the deeper structure behind specific issues that businesses face, and then explain business can do better on their own terms. Sometimes the deeper structure can be connected immediately with research ideas and tools that are well known.

Another role for our research arises when problems come from businesses that do not already have developed tools for analysis. In this case we see travel across the bridge in the other direction – where business problems create an intellectual derived demand for fundamental research that, eventually, generates the applied research needed to connect back to the original problem that motivated it.

As I hope is clear, the underlying theme of how we define the first-best outcome for business research is to determine if it leads to new concepts or insights, and whether it impacts actual business problems that matter. In other words, do businesses value what we produce?

Unfortunately, the evidence suggests businesses generally do not pay a lot of attention to what gets published in our academic journals. If they found our research beneficial, industry, and perhaps government, would more often partner with business schools and pay for or sponsor our research. As a general rule, this rarely happens. Perhaps most damning, sponsored funding levels in business schools are especially low when compared to the funds given by industry to other colleges or disciplines within higher education. Likewise, if industry leaders would routinely scan our journals and cite our work, it could bolster the claim that what we produce is relevant to advance business. Again, what we generally see in our journals are numerous

published papers that receive few, if any, citations. Even those papers that are cited rarely receive references that emanate directly from industry.

As for what is missing, we expect the future will see more interdisciplinary work and more work connected directly to actionable problems versus narrow or esoteric research intended for a purely academic audience.

On the former, it is now starkly apparent that researchers from across our university platforms can contribute greatly to the advancement of business and value creation. Thus, in the future we expect impactful business school researchers will be more integrated into research programs across more disciplines or across the broader universities that employ them, and not just solely focused on the disciplines traditionally considered to be in the business school domain.

On the latter, it is becoming increasingly expensive for business schools to support research via the traditional means of charging prices for our degree programs with large gross margins, using the net surplus to fund research. The relative disregard by faculty (and the discipline) for generating revenue to directly and adequately support the research enterprise is just not sustainable. To survive in the research game, business schools will need to articulate value propositions to the intended audience. As a consequence, we expect future business school research will be more relevant to business, or it won't be done at all.

3. What are the top three strategic initiatives you are – or will be – pursuing in your own programs?

Marie Wilson, University of South Australia: Like most business schools, we focus on our graduates, but we are increasingly concerned about the context for their working life.

Our principal strategic initiative is the *Center for Business Growth*, which works closely with smaller businesses (from \$2M to \$50M in revenue) in programs of a year or more providing a framework and ongoing support for their growth at rates of 20-50% – creating new capacity and support to scale up successfully. This is supported by research-based executive education that clarifies growth pathways, as well as a series of workshops, webinars and student projects that tackle key points of difficulty that are obstacles to business growth from start-up to maturity, working with and in growth-seeking companies. We are increasing the integration of our partnership with companies and community organizations into opportunities for students and graduates, for projects and placements, but also to engage in open innovation and 'hackathons' that tackle systems problems with a combination of innovation, data analytics and social enterprise.

The creation of an enterprising and open community may not be the primary purpose of the University, but as business schools we can enable a more positive start-up and scale-up community by providing places on our campus, access to expertise, and a bridge between our students and staff to the leaders of the entrepreneurial community.

This level of engagement builds greater awareness in students of the options and opportunities outside of the university. We increasingly supplement this with the development of an informed, career mind-set that is sensitive to context. This begins with their first course in each degree, which profiles professional, personal and entrepreneurial options for their career, and encourages planning – not for their career, but for gaining capability through and alongside their degree to better equip them for an uncertain, but positive future. We are extending these development opportunities with coaching and mentoring, drawing on our alumni and other community leaders, for all of our students, and increasingly for our staff as well.

Peter Moizer, Leeds University Business School: The first of our top strategic initiatives is how to handle the changes caused by the increasing importance of digital learning to the student experience. As students become more sophisticated in their use of digital techniques, we have to adapt to a model where students are able to dictate the pace of their learning to reflect their needs. This student – centered learning world requires us to be much more flexible in how we construct the learning environment. It also impacts on how we assess. The days of paper based exams are numbered, but examining using computer input, creates its own challenges, particularly in how to implement the software to make this possible.

Our second initiative relates to the first and that is how to respond to the increasing flexibility demanded by students. Thus future students are likely to expect that they should be able to have whatever they want, whenever they want it, especially in relation to feedback on submitted work. This is particularly a problem, where there is online distance learning and where a student's local time may be many hours in front or behind the UK. How do we determine what is the new normal, in a world, which to the academic, can look like 24/7 working hours? Flexibility can also relate to how much structure should exist in a program. It is possible to envisage that students might want a "pick and mix" type of education, where they pick particular modules and effectively create their own program. This becomes even more complex when the modules are picked from different academic institutions.

Our third issue relates to how we mentor students. We have a mentoring scheme where we partner an individual student with an individual mentor,

who works in business. The challenge is to find sufficient mentors of the right quality and to ensure that the match between student and mentor is a good one. The scheme has been successful, but the success has its own problems as it creates high expectations on the part of both students and mentors. We now have corporates who approach us wanting to develop their managers as mentors.

Richard D. Phillips, J. Mack Robinson College of Business: Robinson's current five-year strategic plan challenges us to aspire to the vision "No one gets closer to business than Robinson." The plan is focused on attaining three goals.

First, we seek to empower students to seize the opportunities of the technological revolution. We will do so by:

- Infusing analytical programming skill development broadly across the entire curriculum;
- Creating programs designed to unleash the creative drive of our diverse student body where they will explore, experience, and develop their ability to innovate and achieve successful outcomes;
- Expanding programs that develop the communication, teamwork, and collaboration skills needed to achieve success in the modern workplace; and
- Extending our classrooms to create an immersive experiential environment that will allow students to challenge themselves and to demonstrate their ability to solve real business problems while still in school.

Second, we will foster the research environment necessary to produce insightful business leaders. We will do so by:

- Broadening our portfolio of faculty by recruiting and developing research-active faculty members who have strengths in methodological and computational capabilities as well as conducting fundamental research into business;
- Building and fostering long-term relationships that facilitate mutually beneficial and high-impact applied research projects with business partners;
- Developing a research portfolio sponsored by government funding agencies, private foundations, and corporate entities to achieve socially relevant outcomes. These will include the well-being of

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individuals, the competitiveness of the workforce, and increased economic development; and

- Designing incentives and organizational structures that promote research and programming focused on exploring and solving what is most important to the future of business and society.

Third, we will lead a purposeful community. We will do so by:

- Providing programs to develop achievement-oriented business leaders who understand the need to engage both the market and societal context in which their firms operate;
- Empowering our alumni base such that Robinson maintains a commanding position in networks that can contribute to the success of the college; and
- Launching efforts that demonstrate how business leadership skills can be used to improve the Atlanta and global communities.

Lei Lei, Rutgers Business School: The strategic initiatives that Rutgers Business School has recently launched are: 1). Transformational curriculum change; 2). Introducing specialty programs built upon our unique strengths; and 3). Differentiating our school from our peers through a strong core culture.

The transformational curriculum change requires a serious effort to embed industry trends and new strategies into the curriculum. The Harvard case-based model is an excellent example in this regard. New Jersey's economy is multifaceted and heavily focused on the pharmaceutical industry, the financial industry, chemical development, telecommunications, food processing, electric equipment, printing, publishing, and tourism and services, and is the home of many Fortune 500 companies. This geographical advantage allows us to work closely with many industry sponsors, from recruiting to research collaboration, to build strong partnerships in curriculum/course design which enable our classroom teaching to be in and ahead of industry trends, and to enhance the ROI of our business education.

The offering of specialty programs is increasingly important. As online education continuously grows, the traditional core courses could be monopolized by a very few top-ranked elite programs. Our strategy to sustain our program success is to offer a unique brand of electives and specialty programs that prepare students for their target job markets, based on the strength of our faculty research, teaching expertise, and value of services such as career preparation and skill development.

We have also started to differentiate our program through a strong core culture. It is commonly agreed that the academic preparation of students among leading B-schools is essentially the same. What differentiates our students from those of our peer schools is the school culture, which defines our brand, the academic environment of our institution, and the DNA of our students when hired into the employer's corporation. Haas School of Business at UC Berkeley has been a leader in defining the school culture. We need to prepare our students in a strong core culture that is unique to our business school's strength and identity, that defines the behavior and character traits of students, and that represents the type of work ethic employers can expect from our graduates. Cultivating team leaders who are confident with integrity, resilient and resourceful, will be essential for our students to distinguish themselves and for recruiters to develop expectations about the quality of graduates from our program.

Barbara Stöttinger, WU Executive Academy: Next to focusing on the right topics – a competency that we as researchers have always claimed successfully – I see three core areas of strategic focus for the WU Executive Academy: (1) providing leadership development initiatives that are relevant and timely, (2) a strong emphasis on impact - on the individual, the business and society overall, and (3) faculty development initiatives to recruit and support fostering skill development and attractiveness of executive education for mid-career faculty.

Cutting edge leadership education today requires not only familiarizing oneself with key concepts and discussion within the classroom. Of course it needs to be approached from a cognitive, but also an affective and an experiential perspective. This includes moving out of the classroom to settings which are less familiar for experienced leaders, getting engaged with people they would usually not meet and leverage their leadership and people skills in such contexts. Integrating social projects, mentoring of the less privileged, etc. may be approaches along these lines.

Leaders of tomorrow need to realize that it is not about themselves, but about others they are responsible for. This will also help us to make an impact not only on the individual, but on businesses and society at large, by stressing the responsibility managers are bearing today and tomorrow.

To live up to all the initiatives and promises we make, we also need to make sure that we are able to attract faculty that is willing and capable of interacting with our target groups today and particularly in the future. The strong focus on publishing for career advancement seems to divert attention away from executive education. However, if we as business schools do not want to lose our key competitive advantage of research-led teaching to

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consulting firms and other providers of executive education, we also need to invest in our faculty.

Cüneyt Evirgen, Sabanci University: As I direct non-degree executive education programs and teach in the Executive MBA program at Sabanci University in Istanbul, I will respond from that perspective.

Knowledge is more and more directly accessible from many sources including free online courses such as Khan Academy, Coursera, etc. that have been evolving and growing at an accelerated pace. Hence, the value of executive education comes from the interpretation of that knowledge in various contexts and providing implementation guidelines on how to use that knowledge in practice. Listening to what is written in textbooks and alike in the classroom is no longer interesting enough. Participant or student needs to do preparatory work so that the in-class sessions turn into interactive discussions.

This changes the role of the instructor from one who delivers knowledge to one who helps the students to understand and apply the knowledge in practice. Delivering content effectively is a necessary condition, but insufficient. This needs to be supplemented with facilitating active learning by the students. Hence, one of the strategic initiatives for us is to support such learning and utilize action learning tools and provide interactive delivery of content.

Providing professional and personal development opportunities to its employees is no longer a luxury or just popular fashion for companies. It has become imperative for companies to invest in their human capacity for sustainable and profitable growth. Large corporations already invest in developing and running corporate academies that have fully customized curricula aligned with the corporate strategy and related human capacity development needs. In fact, increasingly, there is a pressing need to integrate training and development programs with internal HR processes and align with corporate strategies. The customized content of the curricula better justifies the investment made which in the end demands corporate return as all investments do. This is only possible if the educational programs provide not only theoretical, but also practice-oriented knowledge and enhance professional competencies that the participants can transfer to their job at work.

Hence, a second strategic initiative is to work with companies to identify their human capacity development needs at all levels and design programs that will cater to that.

Lastly, since resources are limited at individual institutions, a third initiative is to establish networks or partnerships in order to join forces and

create synergies. Such collaborative partnerships will increase the scope and impact of business education worldwide. This is not a new phenomenon as many business schools have already partnered with others. Nevertheless, I believe this trend will only intensify, and collaborative competition will be the name of the game.

4. Would you care to offer any other thoughts on the current or future state of business education?

Barbara Stöttinger, WU Executive Academy: Looking ahead, I am strongly convinced that generating and demonstrating the impact of executive education will become a core topic from an individual perspective of our customers, a business and societal perspective. This will not only require creativity and elaboration on how to measure this impact, but also to generate new formats of delivery to improve it.

Another consideration I feel strongly about is to consider and leverage our ecosystem. At the WU Executive Academy, historically, we have established a market position within our region as a knowledge and interaction platform for our students attracting them from transformational economies and Western economies doing business there. This requires us to keep abreast with what is happening in the region, bringing in companies and institutions into our learning environment. At the same time, it allows us to leverage these unique competencies in the future.

Executive education as it is provided by well-established top-class business schools has not lost its appeal as a place where top-notch faculty leverage cutting-edge theory into sustainable business impact. Sharing experiences with like-minded colleagues in an inspiring learning environment, facilitated by experienced faculty, will continue to be an asset that executives are seeking.

Last but not least, personal challenge and development which our executives and high potentials seek will also remain an opportunity. In essence, I strongly believe the executive education provided by business schools will continue to have its entitlement. The changing environment, however, will require us to do what we always tell our students -- getting out of your comfort zone as well as anticipate and lead change in your own competitive environment.

Cüneyt Evirgen, Sabanci University: In the future, I believe business education will be more integrated with businesses themselves where academics will work together with business professionals. Academics will

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provide the theory, frameworks and the structure on the curricula and businesses will come in with their real and current challenges.

This is beyond inviting guest lecturers from corporations to the classrooms or having a team of students working on a company project or arrangement of internships at companies. It will involve all of the above and beyond. It will be all about co-developing and co-producing, it will be about full synchronization. This will also facilitate and encourage interdisciplinary curricula development, teaching and research. Academia and business need to work closer to create and develop together. Such a collaboration can produce great synergy both for business education and businesses: a win-win case in short. This, however, will be a huge challenge and experience for both business school academics and practitioners as it will open the door to a new paradigm of business education.

A whole cluster of competent business professionals will also be needed which will pave the road for proliferation of practice PhD programs. Such programs will ensure that the interested practitioners are equipped with the necessary pedagogical, theoretical and philosophical formation to support business schools as necessary. At an institutional level, university-business collaborations tend to be skewed more towards engineering fields in general where R&D support to businesses or joint R&D with businesses are common. I strongly believe that there is still a lot of room left for such collaborations between business schools and businesses to proliferate as well which present great opportunities for both.

Marie Wilson, University of South Australia: While there has been a great deal of scrutiny of business schools in the last two decades, one of our larger contributions is less talked about. From the 1950s, the Colombo Plan engaged universities in large scale capability development linked to regional economic development. For the last six decades, international engagement and international movement of students has been widespread in business schools. This paved the way for development of international business networks and the increasing internationalization of business practices, as well as development and dissemination of international standards. The growth of business schools throughout this period has drawn an increasing diversity of students and staff together, and has provided leadership to both universities and communities in the internationalization of knowledge and practice. We need to recognize and continue this important role in 'soft diplomacy' and creating a more sustainable, innovative world.

Peter Moizer, Leeds University Business School: The current state of business education appears to be about equipping students with the skills to

succeed in the world of work. Success is judged by the ability to get a job, which has a high salary, so that students can feel confident that the financial investment that they have made is justified in the eventual salaries that they earn. At the moment, this trade-off appears to be working, but there could come a time, when job success is not guaranteed by following a particular academic program. It is arguable that the U.S. MBA market is beginning to lose its appeal because the trade-off between the investment and future salary returns is becoming negative. This is in part due to the high salaries that academics can earn and therefore the high cost of providing a business school education. There has to be a question mark of how sustainable the model is in the future.

The other feature of the current business education world is the importance of accreditation. For UK schools, this means having the accolade of the "triple crown", which means accreditation by AACSB, EQUIS and AMBA. The accreditation process has the effect of creating a homogeneous product as schools implement the standards in similar ways. AACSB is supposedly mission driven and therefore schools should be different, but in practice mission statements tend to look very similar and therefore the implementation of them follows similar lines.

The threat of student litigation also has a standardizing effect, because business schools look to be able to defend their actions by arguing that they are providing the service level that would be expected from any successful school.

Looking forward, I think the internationalization of academic staff will continue to increase. In Leeds, more than half of our academics have non-British nationalities.

One issue within the current model is whether academics can realistically be expected to publish research articles in top journals and at the same time be on top of how to deliver an excellent student learning experience. At the moment, having to be successful in both areas creates a lot of stress for junior academics.

A further problem is where future leaders of business schools are to be found. The current tenure of a dean is somewhere around four years, too short a time for much learning to take place about what is needed to be a successful leaders. This potential leadership vacuum might have serious repercussions in the future.

Richard D. Phillips, J. Mack Robinson College of Business: At Robinson, we firmly believe we live in a unique moment in history. Perhaps not since the dawn of the industrial age in 18th century England have we witnessed the deployment of new technologies that will more greatly impact not just

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industry, but also political institutions, established social hierarchies, and the organization of where and how we live in cities and societies writ large. It is a time of immense possibilities.

As a leadership team, we find it useful to start from this premise as doing so provides the underlying motivation for the decisions we make about how to best to position the college to be a resource for business in the coming age. Assuming our view of the context in which we operate is correct, now is not a time that calls for solutions to our current pressures where we only consider iterating on the status quo. Instead it is a time for us to consider solutions and structures for a future business school that may discretely depart from the past.

In a recent interview with The Wall Street Journal, Harvard Business School dean Nitin Nohria suggests the “golden era of business education” is over.³ Is he right? Certainly one could argue that some of the biggest disrupters of business practice recently have not come from those with a business education. On the other hand, business will be the single most important institution that will leverage the technology revolution to create the products and services that will better meet the needs of consumers, firms and societies. The possibility exists to create enormous new wealth and to dramatically increase global social wellbeing.

Thus, there will continue to be a bright future for business schools as long as we remain focused on understanding how individuals interact and work together to best contribute to the development of new ideas and the deployment of approaches that are essential for progress and success. In other words, the journey from 'business administration' to 'value creation' is just getting underway, and THAT will be very exciting for the schools that choose to fully embrace it.

Authors

Cüneyt Evirgen is the Director of the Executive Development Unit (EDU) at Sabanci University in Istanbul, Turkey. Sabanci University, aspiring to become a global reference point for educational with a mission of “creating and developing together”, founded EDU in July 2002 to correspond to the growing need to merge theoretical and practical knowledge with local values while keeping track of the latest developments in the business world. Seeing human capacity development as a process, EDU applies this principle in running needs analyses and providing flexible and modular customized learning programs and consultancy services to improve the management competencies of businesses including corporate academy design and execution, modular non-degree programs focusing on a particular theme (e.g. leadership, sales, innovation, business analytics, retailing, etc.); open

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Dr. Evirgen has also been a faculty member at the School of Management, Sabanci University for more than ten years and is a Board Member at a number of leading companies in Turkey such as Teknosa Inc., Carrefoursa Inc. and Cilek Inc. He has also been the recipient of the Outstanding Alumni Achievement Award given by MSU Eli Broad College of Business in 2010.

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Lei Lei is the Dean of the Rutgers Business School in Newark and New Brunswick, New Jersey, USA. Prior to becoming Dean, Lei served as the founding director of the Rutgers Center for Supply Chain Management since 2001 and established the Department of Supply Chain Management and Marketing Sciences in 2008 as founding chair. She is recognized internationally as an expert in operations scheduling, project resource allocation models, logistics performance optimization, and distribution network design. She also is a deeply respected teacher, having received multiple best professor awards at RBS and having been nominated for the 2010 U.S. Professor of the Year Award. Lei has been a faculty member at Rutgers since receiving her Ph.D. in industrial engineering from the University of Wisconsin – Madison in 1989. She served as an associate editor for academic journals such as IIE Transactions, Naval Research Logistics, Journal of Supply Chain Management, was a co-guest editor for Annals of Operations Research three times, and received the Meritorious Service Award from the Editorial Board of Operations Research in 1997. Rutgers Business School, in Newark and New Brunswick, is an integral part of one of the nation's oldest, largest, and most distinguished institutions of higher learning: Rutgers, The State University of New Jersey, founded 1766. Today, Rutgers Business School is educating more than 6,500 undergraduate and graduate students at two main campuses in New Jersey as well as satellite locations in Jersey City, Madison, and Singapore.

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Professor Peter Moizer has been dean of Leeds University Business School (LUBS) for the last eight years. LUBS is a triple accredited business school in the UK and was ranked ninth in the 2014 UK research assessment exercise. It is highly ranked in UK undergraduate league tables featuring in the top six for all its programs. Its postgraduate programs feature in the Financial Times MBA, masters in management and masters in finance rankings. It has approx. 2,500 undergraduates and 1,800 postgraduates.

Professor Moizer trained with Price Waterhouse before moving to Manchester University and then to Leeds. He has been a member of the UK's Competition Commission, taking part in important inquiries into airports, television and the cash loan industries. He is the senior academic overseeing the professional level examinations of the Institute of Chartered Accountants in England and Wales. He is a strategic advisor to the Greater Manchester Pension Fund, with assets of some

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\$24 billion. He is a trustee of EFMD and a member of the Council of the Chartered Association of Business Schools, for whom he chairs meetings of deans of Russell Group Schools. He has published extensively in the areas of auditing, ethics and behavioral finance.

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Richard D. Phillips was appointed the seventh Dean of the J. Mack Robinson College of Business at Georgia State University in July 2014. Launched in 1913 and located in the heart of Atlanta, Robinson and Georgia State have produced more of Georgia's top executives with graduate degrees than any other school in the United States.

Dean Phillips is also the C.V. Starr Professor of Risk Management and Insurance. A risk management expert, Dean Phillips has received several research awards, including twice receiving the Robert I. Mehr Award given to an article judged to have had the greatest impact on insurance economics 10 years after publication.

Beyond the university, Phillips is a director at Munich American Reassurance Corporation and a Senior Consultant with Charles River Associates. Phillips serves on boards for the American Risk and Insurance Association, the S.S. Huebner Foundation, the World Affairs Council of Atlanta, and he chairs the board of trustees for The Swift School - Georgia's largest private school serving dyslexic children.

Dean Phillips acknowledges numerous faculty colleagues and the members of the college's leadership team who, over many discussions and debates, have helped shape several of the ideas discussed in this essay.

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Barbara Stöttinger is the Dean of the WU Executive Academy at the Vienna University of Economics and Business, Europe's largest business university. The WU Executive Academy's portfolio includes Executive and Professional MBA and Master of Law programs, university certificate programs, custom and open programs. Being situated in the heart of Europe, the WU Executive Academy brings together executives and high potentials who are from the region and/or do business in the region. Prior to joining the WU Vienna, Barbara Stöttinger gained industry experience as a product group manager in the consumer electronics industry and in consulting. She has extensive experience as a lecturer and executive educator in Marketing and International Marketing in North America, Europe and Asia for which she received several outstanding teaching awards. Her research focus lies on international marketing issues (e.g., exporting, consumer behavior). Her work was published in leading journals such as Journal of International Marketing, Business Horizons, International Business Review, Psychology & Marketing, Journal of Consumer Behavior or International Marketing Review.

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delivering in both industry and university leadership, with over two decades of executive roles in both domains. Under her direction the UniSA Business School is internationally recognized as a leader in impactful business research and in the education of global professionals. The School is one of the few in the world to focus research, education and outreach on the growth of small and medium-sized firms, and houses an award-winning research institute, and both the Centre for Business Growth and the ICT Innovation and Collaboration Centre.

Professor Wilson has studied and worked on five continents and has been a senior manager in strategy and HRM for seven public companies, including one of the world's largest IT firms. Professor Wilson's research focuses on the management of performance (with a focus on professionals and knowledge work), decision-making and the human side of entrepreneurship and innovation. She has published and lectured extensively in these areas, and is a fellow of the Australia New Zealand Academy of Management and Vice President of the Australian Business Dean's Council.

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Endnotes

1. PricewaterhouseCoopers. (2015). *Data Driven: What Students Need to Succeed in a Rapidly Changing Business World*. Retrieved at <http://www.pwc.com/us/en/faculty-resource/data-driven.html>.
2. Podolny, J.M. (2009). The Buck Stops (and Starts) at Business School, *Harvard Business Review*, 87(6), 62-67.
3. Dean Nohria is quoted as saying, "The biggest challenge is a lot of people are asking the question whether they need to go to business school at all. The golden era of business education ... is 1950 to 2000, where it was almost considered, if you want to accelerate your career, you'd better have an M.B.A. That sense of necessity of an M.B.A. has shifted." Gu, Wei. (2015, January 23). "Harvard Business School Dean Fights to Keep M.B.A. Relevant." *The Wall Street Journal*. Retrieved at <http://www.wsj.com/articles/harvard-business-school-dean-fights-to-keep-m-b-a-relevant-1422039124>.