Identifying blind spots, dominant logics and critical issues for the future of management education

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Identifying Blind Spots, Dominant Logics And Critical Issues
For The Future Of Management Education

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Abstract

Hamel observed that in any field where its members are trained the same way, over time there tends to be homogenisation in thinking and the adoption of a dominant logic (Bisoux 2008). In management education, this certainly does seem to hold true, as evident in aspects such as the lack of significant differentiation in business school curricula and in business school models. We contend that because of this, several important areas have become potential “blind spots” in the sense that they do not receive sufficient attention or are simply the subject of rhetoric rather than proactive action. We identified these areas as (1) the impact of technology, (2) the paradigm trap in curricula, (3) the treatment of ethics, CSR, and sustainability in curricula, and (4) the need for business school model innovation. We interviewed an expert panel comprising leaders in management education, querying them for their views on these areas. What we found corroborated our initial contention that while these areas are acknowledged as having potentially important implications or needing change, they are at the same time not dealt with proactively or in any depth. We discuss the main themes that emerged from their responses in each of these areas.
In introducing recent extensive research studies (Thomas et al., 2013a, Thomas et al., 2014) of viewpoints on future directions of management education in Europe, we interviewed an expert panel comprising those in leadership positions in the field. The interviews with each panel member lasted two to three hours. While the interviews provided valuable insights, we also recognized that their expert judgements may contain inherent biases and reflect their distinctive mental maps and cognitive frames. These “blind spots”, or perceptual gaps, may have resulted from individual human factors or institutional pressures (e.g. rankings or professional accreditations) that serve to homogenise the perspectives of business school deans or university presidents and lead to imitative behaviour and shared external norms.

Such behavioural norms are often described as “dominant logics” – shared views that result from the collective experience and mental models of those in the field (Prahalad and Bettis, 1986). An example of a “dominant logic” is the role of the MBA as a general management degree. Despite criticism (e.g. Mintzberg, 2004), it continues to be seen as a “killer” product in management education and is still highly valued by business school deans. Many students regard it as an essential rite of passage if they aspire to reach the C-suite of their organisations.

We identified several areas that were potential “blind spots” and asked an expert panel to comment on the implications of those areas for management education. The extensive interview material was analysed and interpreted using qualitative approaches such as N-VIVO Analysis (Cresswell, 2013). There were 39 experts on our panel, the majority of who were presidents, deans, associate deans, or directors at business schools. There was, however, also representation from businesses, professional organisations, and the media.
It was evident from the responses we received that these areas were indeed areas that were receiving insufficient attention or were acknowledged as important areas, but were not addressed in any proactive way. This is perhaps unsurprising in a field that has been criticised for caution, complacency, conservatism, and inertia in an increasingly fast-paced, hypercompetitive marketplace.

The areas that are the focus of this paper are:

- the impact of technology
- the paradigm trap in business school curricula
- the treatment of ethics, CSR and sustainability in curricula
- the need for innovation in business school models

In succeeding sections of the paper, we first provide the context for why these areas are potential “blind spots” and then provide samples of quotes from our expert panel that illustrate the overarching themes that emerged from our analyses of their responses.

The impact of technology

Evidence was presented that suggests that business schools are perceived as failing to live up to their potential when it comes to the application of new technology. While they should be at the cutting edge of technology developments, the effective use of technology in business education has thus far been a promise unfulfilled. Business educators are simply not reflecting the reality of the wide application of digital technologies in organisations.
Our students have grown up with these technologies and quite reasonably expect them to be thoroughly harnessed and explored in their business education. Indeed, we live in the technological age and era of the iPad, the cheap tablet, high-speed mobile networks and adaptive learning software – all of which have the potential to heighten the quality of learning. Yet, as one expert was quoted in the study, “We fine-tuned our use of technology in the classroom…but I don’t see anyone who’s been totally revolutionary with technology and pedagogy” (Thomas et al., 2013b, p114).

Equally, “just in time”, flexible learning approaches have not been widely adopted using distance or blended learning models and frameworks. These models have not made the headway or impact that has been predicted. Yet, such distance learning approaches could move business education more closely to student demands as they face changing employment and career patterns. Flexible business education based on distance learning would answer the need for education designed around the work and lifestyle/family commitments of the modern manager.

And, with an increasingly competitive global economy, technology facilitates the construction of global programmes and associated material through both strategic alliances and the use of blended learning models to enrich the international context of learning (Thomas and Thomas, 2012). This is exemplified by Iniguez (2011) in his extensive discussion of the blended learning MBA in Instituto De Empresa (IE) in Madrid, Spain.

Perhaps the reluctance to change existing approaches, despite the rapid onset of effective learning technologies, has something to do with one of the “dominant logics” of university education – the so called face-to-face “sage on a stage” lecture-
based teaching interaction that "has changed little since the middle ages" (The Economist, June 29, 2013, p.11).

The challenge of change in this area is to envisage “a potential redefinition of the role of the professor” (Thomas, et al., 2013b, p. 162). The professor moves from the role of “orator to coach”. Technology-enabled learning, transferring lecture materials to high-quality iPad-enabled lectures, for example, should result in a shift from lecture/teaching sessions towards a forum for debate and enlightenment about concepts. This makes lectures more challenging, participative and much less boring. Students will be more involved in group learning projects, in critically questioning assumptions in their business models, and ultimately, in refining and enriching their learning processes and insights about the core business curriculum.

Schools may find, in time, that they do not have the luxury of choice when it comes to change, as new entities from outside the field bring disruption to their doorsteps. Gillian Tett, in an essay on the Virtual University (Financial Time, Feb 2-3, 2013), wrote that the Internet and online education are placing “universities on the brink of dramatic disruption”. She further argued that “these trends have the potential to devastate universities’ economic models. If students can now download a course on their iPad anywhere in the world, they might question whether they need to attend an elite college at all”.

The counter-argument to the potentially huge transformative effects that online learning might have on university or business education is that universities provide strong socialisation and networking that are central to current university models. In essence, the “campus experience” with its range of student activities, clubs and active face-to-face learning is promoted as being a distinctive and valuable social, maturation, and learning experience.
Nevertheless, other *Financial Times* columnists such as Della Bradshaw (Bradshaw, 2013) counsel that the advent of MOOCs (massive open online courses) (e.g. Coursera) represents a continuing challenge. She writes that “One of the biggest disruptive forces of the past year has been the rise of educational technology enabling the online distribution of MOOCs…They will bring the teaching of the world’s top professors to the desktop for free”.

Hommel and Lejeune (Global Focus, 2013, p.10) echo the argument offered by Tett and Bradshaw that “technology-enhanced learning will exert a disruptive influence on management education”. Indeed, they argue that “technological change promises to affect all facets of business school operations – how teaching is designed and delivered, how research is conducted and disseminated, and how interactions with stakeholders create value”.

Against this backdrop, we questioned our expert panel closely on the issues of what they perceive will be the impact of technology on management education in the future. One clear point of consensus among our respondents is that technology has influenced management education and will continue to shape it into the future. However, there are clear differences in opinion about the extent to which technology will drive change in management education.

Four general themes emerge that throw light on the expected impact of technology on the field:

- technology and the severity of change
- the geography of learning – where students learn
- the modes of learning – how students learn
- technology and the incumbent business school model
Technology and the severity of change

There was considerable variation in terms of respondents’ belief in technology’s ability to catalyse change in existing practice. Some respondents view technology as a fairly passive and incremental feature of the management education landscape. For example, they portray technology in a complementary role, enhancing existing arrangements and providing a basis for continuous improvements. The following are some representative quotes:

“I think that most of what we’ve done in business schools – yes, we use simulations and business games and videos much more than we used to in the past, [and] we certainly don’t use...boring and lengthy case studies…any more and have adopted live case studies – is all quite marginal. There is nobody who says let’s do this in a very different way, let’s come up with a real innovation! In reality, it is simply continuous improvement.”

“I don’t expect very much in terms of the impact of technology on the business of management education… there are continuous improvements and there will be nice new things but I don’t consider any of that to be revolutionary.”

In contrast, others anticipate much more profound changes. One respondent said, “My gut feeling is that it will have tremendous impact”, while other respondents labelled the likely impact as “huge”. Among those who foresee a large impact, however, there was expression of uncertainty over which technologies will play a critical role, how they will operate in the context of management education, and
which portions of the field will be affected the most by an increased application of
technology. This uncertainty suggests that many respondents are not quite aware of,
or even comfortable with, many of the emerging technologies, and could reflect a
generational effect. The following quotes illustrate this sense of uncertainty.

“The impact of technology will evolve more and more and more, but we don’t
yet know what is around the corner. For example, nobody can really know what
the impact of social media is going to be but think that it will be strong.”

“I don’t know where it will go – I don’t think that any of us do.”

“We do not know the technology we are going to have but my guess is that it
will continue being a big enabler.”

While there is clear indication that technology will drive change, there is much
speculation about not only the technologies themselves, but also how these changes
will play out in the field of management education.

*The geography of learning – where students learn*

Technology certainly changes the possibilities of expanding education
regionally and globally. One of the main impacts identified by our experts was the
ability of technology to facilitate and enable distance and distributed learning. This
means that students are potentially able to learn from almost anywhere in the world.
This in turn allows schools to develop programmes that can unite students and
teachers/instructors/speakers across different locations, for example, in a global distance-learning model.

“Technology already has replaced some of the old-fashioned learning exchanges – some are now electronic instead of face-to-face. I think that what we may well see is the use of video-based technology instead of just data-based technology.”

“I think that we are going to be seeing more distributed and asynchronous learning approaches. These will enable you to run a programme more effectively with a group of people who are in different locations. And with them not necessarily communicating at the same time.”

The attractiveness of distributed, virtual learning is even more evident when the opportunities for learning in a global setting are explored.

“We could have much more exciting multi-national projects, with a link-up between schools – there is an element of this happening – but why can’t MBA students be working on lots of different projects in lots of different countries through technology? It’s all there ready…it’s just not being used.”

Similarly, the creation of learning communities that are able to operate globally could provide an enriched learning experience in management education.
“Technology needs to facilitate communication across boundaries of space and time, thereby creating meaningful learning communities, which in turn result in improved use of blended learning technologies.”

Modes of learning – how students learn

Just as technology has enabled the creation of ways of learning globally through distance learning models, respondents also noted that technology has an important impact on how students learn. They anticipate greater flexibility in programme design and delivery with the aid of educational technology. More flexible ways of learning emerged as a point of emphasis.

“There will still be face-to-face learning but it will be amended with different learning styles. There will be greater choice, which is a good thing. [Students] will require different learning models. Some people will want a break and focus on the programme while others will want to keep working while studying.”

“You could predict a future where you don’t really need traditional classrooms any more. You don’t need the three-hour case study any more, you don’t need the ‘chalk and talk’ and by investing in technology you will be able to provide learning that an individual can engage with virtually anywhere they are in the world. So universities and business schools will probably become hubs of
activity rather than centres people have to travel to physically to engage in the educational process.”

Our respondents strongly support technology developments that help faculty and students interact at different times and through various media. An interesting qualifier is that, in their view, these anticipated changes will supplement, not replace, existing arrangements. There will still, for example, be face-to-face learning and traditional dealings between faculty and students. However, there is also the suggestion that this technology-driven shift will mean a gradual disappearance of the traditional “chalk and talk” pedagogical approach. A good example of this type of model is the MSMS program at the Questrom School at Boston University, where there is a strong emphasis on technology enhanced, project-based learning (Carlile et al., 2016).

Technology and the incumbent business school model

The changes anticipated from the movement away from learning at a university to technology-mediated learning with university oversight were identified in the earlier discussion around the geography of learning. This point is reinforced in the example below, where the respondent combines the demand for the “go-anywhere graduate” with the need for a global and collaborative way of working in management education. Technology, so the argument goes, will make this increasingly feasible in terms of both quality and cost.
“Well, it will reach a point where the cost to develop students and the need for them to be globally ready will spawn much more emphasis on collaborative degree programmes. Even if the home school will give the degree, it will be a collaboration. It’s difficult to pull off, but we will work together and with technology interventions that will most likely make that programme better and better and cheaper.”

Despite near unanimous agreement that technology will impact management education, there is also the sentiment that, at least with the technology available in the short-term, it will not produce radical change.

“In the long run the impact will be enormous, but actually in the short run, the impact will be much more determined by personal and organisational factors rather than technological capability.”

“It is not changing the essence of management education; it’s changing the processes at this point. However, the change in the process is immediate; the change in the essence of the management education model is not immediate. So the impact on the individual is a slow one.”

In the short-term, different technologies will supplement and enhance the status quo through streamlining, making efficiency gains, and extending the global reach of business schools. It is in the longer-term that technologies will begin to break down the established business school model.
“We don’t need to build bigger and bigger business schools. We need to build them bigger in the sense of their global reach using the technology that is available. Why anybody would…catch a plane and come to [a business school] to be physically there is a big question!”

In summary, it is clear that technology disruption will have discernible long-term effects on the conduct of management education. It will also influence the current business school models and produce innovations that may lead to high-quality management education at relatively lower costs, although the cost savings have yet to be proven (Iniguez, 2011).

The paradigm trap in business school curricula

Gary Hamel stated in an interview that “any field – whether it’s medicine, engineering or business – can become stuck in a paradigm trap over time. Everybody’s been trained the same way. They think the same way and they take the same things for granted. I think that’s where management is today. Business faculty needs to be very conscious of the inherited dogmas that may underlie their views” (Bisoux, 2008).

Hamel would agree with Mintzberg’s observation (Mintzberg (2004) that the US dominant design of an MBA programme was established in the 1960s, following the Ford/Carnegie Foundation reports in 1959, and continues its dominance today. This “dominant design” has little in the way of pedagogical innovation and not much differentiation from one programme to another. Whatever differentiation there has
been in programme design and course sequencing, as Datar et al. (2010) note, has been limited in scope.

Other writers (Khurana, 2007; Augier and March, 2011; Locke and Spender, 2011; Starkey and Tiratsoo, 2007) would also reinforce the ubiquitous presence and dominant logic of the US-focused design, reflecting an obsolete model consisting of outdated textbooks, course materials, and case studies based on past experiences.

As a consequence, both Hamel (Hamel, 1996) and Prahalad (Prahalad, 1996) believe that business schools must radically re-think their curricula to reflect the realities both of new hyper-competitive environments and of the hyper-globalisation of markets. Indeed, Hamel’s comments bear repetition: “What we continue to teach in the business schools is a little bit like being a mapmaker in an earthquake zone. Never before has the gap between our tools and the reality of emerging industry been larger.” (Hamel, 1996, p.113)

The challenge of curriculum change is addressed well by Professor David Teece in an essay (Financial Times, July 19, 2012, p. 11) entitled “Students blinkered by narrow teaching focus”. He contends that “many [business school] programmes teach from the perspective of single disciplines such as marketing or finance … but it puts blinders on the students. Such a narrow focus takes us further away from understanding deep problems, most of which require an integrated, multidisciplinary focus.” He further argues that, in today’s environment of disruption and fast-paced opportunities, business schools should be teaching “how companies innovate, capture value and transform themselves and this requires introducing an “integrated, multidiscipline focus into the syllabi for all business school courses.” However, as it turns out, the unpleasant truth is that the enemy is ourselves. Teece writes: “The truth is that many faculty members do not know how to integrate the subjects that are the
foundation of most business schools’ curricula.” A counter-example is the platform-based models such as that described by Carlile et al. (2016).

We asked our expert panel for their views on the issue of re-invention and re-framing of the curriculum of the business school. Their views coalesced around three themes:

- the need to realign the value and purpose of management education with new realities
- an outdated dominant design
- the need to define new terrain and new models

The need to realign the value and purpose of management education with new realities

Our experts clearly question the history of management education and its current value and positioning. They worry about the generic, homogeneous current form of the MBA degree and appear to embrace a more integrative, holistic curriculum that addresses a volatile, uncertain, and complex environment. An alternative MBA degree curriculum based on a broader sense of responsible science has, for example, been suggested by Muff et al. (2013) in their Vision 50+20 project undertaken in association with organisations like GRLI (Globally Responsible Leadership Institute), PRME (Principles for Responsible Management Education) and UN Global Compact.

“We need a stronger context for management education and a stronger sense of purpose about why we are doing it.”
“I think that it is going to be a totally different (information-rich, fast-paced) world. So we need to prepare our students to deal with that. Therefore, I am more worried about the skills for learning we imbue in them than what we make them learn. It will be less important to know marketing and finance well than to teach them [how to resolve problems] and think critically.”

“I frankly think that telling the next generation of students how Canon got it right or about Apple’s success with the iPad is pretty trivial…Unless students start addressing pressing managerial issues, global issues and so on, the disconnect with society will grow larger.”

“The leadership challenges are very different today…We still need to teach the functional disciplines but how do we integrate them more effectively? How, for example, do we address the challenges of sustainable development across the disciplines rather than just as add-on courses?”

It is noteworthy that AACSB, in 2016, put forward a new vision for business schools, in response evolving expectations of business schools and the opportunity for business schools to be change agents. AACSB describes this new vision as such:

“This is a vision for a future where business schools are drivers of change. Where business schools change the narrative about the role of business education, and of business, in society. Where business schools respond to the world’s demands to be more inventive. More daring. More connected. More agile. And even more impactful.”
In this new vision, business schools are: (1) catalysts for innovation, (2) co-creators of knowledge, (3) hubs of lifelong learning, (4) leaders on leadership, (5) enablers of global responsibility (AACSB, 2016).

This is a much needed clarion call for business schools that will hopefully serve to galvanise efforts towards safeguarding the value and purpose of management education.

*An outdated dominant design*

There is a clear sense that the “one-model-fits-all approach” is outdated. They note that we have allowed ourselves to be lulled into a false sense of security with a well-tried curriculum recipe and we need to re-evaluate the design of management education.

“There have been…incremental, disparate improvements. But I don’t think they’re paradigm shifting…nor has there been a radical change in curriculum.”

“We teach this way because it’s the way the curriculum has been for the last 30 or 50 years - this is my course, this is my article - instead of team-teaching and research.”

“We became stale by defining management education as the functions of operations, marketing, finance, whatever with a bit of strategy to integrate [it]. We have become so inward looking and complacent - like any business that needs to change.”
“We should not be teaching in silos/subject areas…we have to be more integrative and paint a more holistic picture. We need to achieve far more synthesis across the subject areas.”

The need to define new terrain and new models

Many respondents believe that we need to identify new ways of structuring curricula and developing new models of management education. There needs to be clear questioning of the roles of pedagogical tools such as case studies and of the relevance of our training in a changing world.

“There needs to be another radical shift...we have to find new terrain.”

“Case teaching harks back to past established practices and identifies them but does not identify how to focus on the future.”

“Will case studies still be here? We seem to do it the same as we did 100 years ago – not just 20 years ago. It is still the same stuff. And we should be out there in front of companies not following them.”

“I think we can learn by looking back not too far, perhaps to the 1970s and 1980s, when business schools were seen as the future. This was where academic rigour and relevance came together; this was where businesses and organisations of all kinds were able to discuss and develop ideas with
academics. I think that it’s time, if not [to] revisit that, [then] to have a similar kind of shift.”

“The main lesson is that management has to be relevant and that also means in terms of training. For example, history [as a subject] is very important in terms of understanding cycles such as why the banks are making the same mistakes as ten years ago.”

In addition, it is clear that our respondents favour experiments with such (relatively) new approaches as action (or experiential) learning.

“I think action learning has a great part to play in our education and we don’t use it nearly enough because it is difficult to deliver and assess.”

It is worthwhile noting that Harvard, an elite pioneering leader in management education (see Thomas et al., 2013b, p.111), has begun a significant overhaul of its MBA that includes a strong element of action learning. This overhaul extends the concept of the first-year field course, which includes a trip to a developing country to work with a company to develop a new product or service.

It is, for Dean Nohria, part of a goal of “translating knowing into doing”, engaging in practice and promoting greater integration between the two years of the programme. When Harvard acts in such a forthright way, there is hope yet that others will follow with other innovative and creative ways to re-frame the management education landscape. Until then, the current dominant business curricula continues to persist in the large majority of business schools.
In a *Financial Times* “Soapbox” article (Monday, 4 October 2010, p. 15), “Schools are blind to the sustainability revolution”, Professor David Grayson of Cranfield Management School argued that “business schools globally appear surprisingly slow to spot the extent of the sustainability revolution and the challenges and opportunities it creates”. He goes on to point out that despite there being over 10,000 business schools worldwide, only 3% had signed up for the UN’s Principles for Responsible Management Education and less than 2% had signed up for the Aspen Institute’s biennial survey ‘Beyond Grey Pinstripes’ (2011), which analyses how well business schools embed social, environmental, and ethics materials and courses into their programmes.

On the other hand, in the *Financial Times* (Murray, 2011), the executive director of the Aspen Institute, Judith Samuelson, noted an increasing number of courses of improved quality on topics associated with ethics, corporate social responsibility, and sustainability. She also identified what she considered to be a roadblock to adoption of these issues among faculty – “business schools need to do more to shift the belief among some faculty that profit is the sole driver of business strategy”.

Perhaps Milton Friedman’s (1970) adage that “there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game” has had more influence than it should. For years, schools and academics have justified notions of
shareholder primacy and the enhancement of corporate earnings to the potential exclusion of alternative stakeholder viewpoints.

Another potential faculty problem arises from the structuring of schools in disciplinary silos and an associated incentive system that rewards discipline-based publication in so-called A-journals. Areas such as CSR are by their very nature interdisciplinary and work in these areas involves faculty involvement in, and the development of, strong partnerships with other academic areas and businesses. Often this is a daunting and difficult task and precarious career route for young academics.

Beyond CSR and sustainability, other authors have asked the question of what business schools can do to provide better ethics education. Dowling and Harney (2012), for instance, asks whether “business schools do enough to instil a sense of empathy, to say nothing of responsibility, in their graduates, educating them to respond not just to their powerful shareholders but to their many stakeholders in society”. They suggest that legitimacy in this area might be achieved by business students offering pro-bono business advice to small businesses, NGOs and the like, and “walk the talk” just as law students do with pro-bono clinics organised by their professors.

Because of our concern about this ethics, CSR, and sustainability “blind spot”, we asked our panel for their views and perceptions about how these issues are addressed in business schools. Interestingly, there were relatively few positive comments about the treatment of these issues in management education. The responses also echo the sense of inertia endemic in business schools that we alluded to earlier.

The main themes that emerged in their responses were as follows:

- superficial treatment using the “bolt-on” approach
• lip service and slow reaction
• the need for an integrated approach
• a lack of leadership by business schools

Superficial treatment using the “bolt-on” approach

The main theme that emerged centred around how business schools have typically adopted a “bolt-on” approach to dealing with issues concerning sustainability, ethics and responsible management. Representative comments are presented below:

“In my view, they’ve reacted by adopting various forms of sticking plaster; so far they’ve covered up the problem.”

“[They have done it] slowly and with bolt-on courses, for example in ethics. I’m not sure that there are attempts to teach it across courses.”

“With an integrated approach, [such courses] would be embedded in the curriculum, so they would be treated in a more coherent, cohesive way. Many of us have a course in ethics and sustainability. They are very successful and often attractive but they are ultimately ‘bolt-ons’.”

“Increasingly, this has been brought into our programmes in different ways – some of which are cosmetic. Some will say ‘we’ll have a course in ethics‘, others have managed to get the faculty at large interested and then it’s fed into
lots of different courses. I would prefer them to be embedded in different courses.”

\textit{Lip service and slow reaction}

Digging a little deeper, it is clear that the “bolt-on” courses and the somewhat “cosmetic” approach to tackling these gaps in management education fits with a sense of programme continuity rather than change. This is captured in what our respondents refer to as “lip service”, a rhetorical and shallow acknowledgement of the need to address these major issues that produces at best an extremely conservative, incremental, and cautious approach to curriculum change in business schools.

“We’ve probably had many conferences on the subject, produced numerous papers and we’ve probably added a course to our curriculum and made a definitive change. But in the end, it will not make any difference. It’s lip service really.”

“I think they’ve given lip service to them basically. I mean you do see ethics appear as a subject in certain curricula, but I personally think that ethics itself is not a subject – it should be a hearts-and-minds subject that permeates right through the whole programme.

“It’s a little more lip service than reality but I think that the more serious problem is that we don’t know quite how to do this. And it’s a little bit like 20 or 50 years ago, when you had courses in internationalisation popping up.”
The need for an integrated approach

What is clear from the preoccupation with “bolt-on” courses and the perfunctory treatment of ethics, CSR, and sustainability in management education is that these (or any other significant changes to curricula) face the barrier of integration within business schools. Respondents indicate that developing integrated curricula is desirable and there is enthusiasm for engaging with these issues; yet, there seems to be a sense of incompatibility between the principles of integration and the way things are currently done. Our experts also point out that this exemplifies the field’s resistance (or resilience) to change.

“I think certainly that the debates within business schools are focused towards how to integrate issues around sustainability into the curriculum. For example, do we do it by add-ons, such as more electives? I think in part we should do that, but more pertinently, we should determine how we integrate issues surrounding corporate governance, sustainability, and ethics into existing functional courses. That is an interesting challenge which some faculty are very excited about.”

“The business schools’ reaction has not been strong enough but I also believe that the challenge or the solution is more complicated than it appears to be at first glance. On the one hand, you can say that a business school can focus its next academic year on ethics. However, I think that the real solution is integrating ethical behaviour into all the things you do. But that is something
that you can’t do overnight. So OK, let’s show that we are doing something and, at the same time, work conscientiously towards a real solution to the problem.”

“Their reaction has been, I think, to try to address it by introducing programmes with possibly an elective on business ethics. However, I think there is still an on-going debate – it should be embedded in the curriculum like the writing in a stick of rock [candy]. There could also be a compulsory, detailed programme like … marketing or finance. Instead, you study CSR, and properly address it, and write essays on it.”

“As we grapple with the model of an integrative curriculum, we will be able to deal with these issues in a much more substantive and meaningful way.”

Hence, while there is certainly a recognition that an integrated approach is needed, the challenge of designing an integrative curriculum remains a challenge. A clear way forward currently eludes the field.

*A lack of leadership by business schools*

A small number of responses raised the issue of leadership in business schools. These respondents question directly the ability of business schools to take the lead in thinking about business and society, often due to their reticence to form an opinion. Business schools and their leaders appear apolitical, neutral institutions – bastions of “good science” but lacking the ability to forge identities as thought leaders. This fits with the criticism that business schools are always looking backwards at trends and
data – the ever-retrospective leader confronting the future through the rear-view mirror (see for example, Canals, 2011).

“Business schools could have taken the lead [on] CSR and ethics because this was important long before the crisis. One of the things that has always struck me is why schools, as institutions, and their leaders didn’t have the guts to have an opinion.”

In summary, our experts believe that business schools reacted slowly to the “ethics gap” but have moved from rhetoric and lip service to a more careful analysis of how to incorporate ethics, CSR, and sustainability into their curricula. Some of this is due to student pressure about responsibility (e.g. Harvard’s MBA oath) but also through the efforts of such organisations as the Aspen Institute, the UN Global Compact, and EFMD.

The need for innovation in business school models

Hamel propounded the view that, as management educators, we ought to develop students with the capability to invent new management practices and models. That is, we need to teach them to be management innovators. He also suggested that while deans openly advocate the value of innovation and change, they find it much more difficult to embrace such innovations in their own business models (Bisoux, 2008).

A recent article in the Wall Street Journal (Kaminski, 2013) entitled “The man who would overthrow Harvard” demonstrates how competitive entry may occur in
higher education. A serial entrepreneur armed with venture capital, Ben Nelson, has been attracted to the higher education industry and wants “to topple and transcend the American academy’s economic and educational model”. His business model, the Minerva project, is a re-imagined university seeking to disaggregate the value chain in higher education and, through technology and the selective use of MOOCs for introductory courses, attack the top-end universities – the elite of the educational food chain. He may or may not succeed but his model will probably attract other competitive imitators or perhaps force some more innovative, entrepreneurial universities to adopt similar principles.

As it is, competition from private providers in the higher education space is hardly a new phenomenon. Entities such as Hult, Apollo (the University of Phoenix), and Kaplan, are making their presence felt with their value proposition of degrees at a lower cost and, in the case of online offerings, greater convenience.

Against this background, we sought the opinions of our experts about innovation in business school models. The two main themes that emerged from their responses are, firstly, a recognition of the need for new models and secondly, uncertainty about the way forward as far as developing new models go. We discuss these themes in turn.

The need for new business school models

Our respondents believe two elements are behind the pressure to construct new business models. The first is globalisation, which is driving an urgent need to restructure the organisation of business school operations. The second is the role of
technology in facilitating the growth of network-like, perhaps virtual, organisational structures.

“Because the world’s becoming global, there’s a clash, a challenge to the perceived [dominant] Anglo-American model.”

“I think that we need to think about a transition from the old model to a new model … The old model: faculty meetings, departments, tenure-based vested interests … all add up to make it unlikely that these types of organisation will adapt [in the future].”

“To create a new model, we need to get rid of some over-conservative, narrow-minded ways of thinking. I think that the role of traditional management disciplines is quite clear but the world is growing asymmetrically and we really need to think about innovation and change in different ways. And my feeling is that the next wave of innovation will come from Asia. We need an innovative perspective and to make it happen, there has to be a willingness to experiment.”

_The development of new business school models_

What is apparent from our respondents is an absence of insight on how new models might be developed, given some of the structural barriers and constraints that exist within business schools. One of our experts expressed a particular constraint in the following terms:
“We know that some of the things that go on in business schools are mainly for the benefit of the producers – the faculty – and we don’t seem to do anything about it … the business model doesn’t appear to be working that well and yet nobody has said how we are going to fix it. [But] let’s try to fix it; people seem to take the approach that it will work out in the end.”

It is interesting to note, however, that one of our respondents has developed a network type model as the framework for his business school, the Lorange Institute of Business in Zurich (see Thomas et al., 2013b, p.123). This model involves a radical and extreme alternative to the status quo – “with its constituents of part-time faculty, no silos, no offices, no tenure, no academic departments, and a fully integrated educational philosophy that links the curriculum to the learning process in the workplace.”

In summary, while the Minerva project and the Lorange Institute of Business represent innovative business models, they are clearly exceptions in the current landscape. While there is recognition of the need to innovate, there is far less illumination on the direction a school should take.

Conclusion

The experts on our panel are certainly well regarded leaders in management education, who are keenly aware of the challenges and opportunities that the field faces. Yet, their collective responses suggest to us that there is a certain groping in the dark or an inattention when it comes to the areas that we identified as potential “blind spots”. These are the impact of technology, the paradigm trap in curricula, the
treatment of ethics, CSR, and sustainability in curricula, and the need for business school model innovation. While most of the respondents recognise the importance of these areas when queried, this acknowledgement is, interestingly, accompanied by a further acknowledgement of a perfunctory treatment of the issues or a focus on rhetoric rather than a proactive search for viable solutions. This passive stance is the reason we have labeled these areas “blind spots”.

As schools are caught up in the momentum of competing within the existing management education paradigm – using weapons such as accreditations and rankings – and are faced with the risks of straying from a well-beaten path, it is perhaps not surprising that “blind spots” exist. In addition, the conservatism of the field in general and the reluctance of faculty to venture outside of their comfort zone account for the often sluggish response to changes in the environment.

Yet these “blind spots” represent opportunities that if given proper attention can strongly differentiate a school and strengthen its reputation. It is our hope, therefore, that by putting the focus on them, the value inherent in resolving them will also be highlighted.
References


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