THE CURRENT AND FUTURE ROLE OF BUSINESS SCHOOLS

Research Report

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Points made and opinions expressed in this report are purely those of the authors and should not be assumed to reflect those of Anglia Ruskin University.

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1.0 INTRODUCTION

Researchers and analysts have increasingly questioned the role and actions of business schools, particularly following the recent global financial crisis. What should they be teaching? How should they teach it? What should their role be in helping to tackle urgent global issues (UGIs) such as climate change and resource depletion?

The attitude of senior managers within these schools will have a significant influence on the strategies and approaches adopted and during the summer of 2009, as part of a research programme into the current and future role of business schools, the authors interviewed 38 top level managers from 16 business schools in Brazil, India, Germany, South Africa, Tanzania, Scotland and England. Do they see a need for change, a need to reconsider the contribution and relevance of business schools and their role in tackling UGIs, or do they see other priorities?

This report summarises the findings from those interviews and is targeted at those organisations that took part in the research as well as for general dissemination to other interested parties. A separate report will be prepared for private consumption by the Deans of participating organisations.

Funding constraints and our desire to make a timely contribution to the debate meant that this research was limited in scale. We therefore view it as a scoping study[1], paving the way for more detailed investigation and analysis.

In this report we initially set the scene through a literature review of some of the current challenges and debates impacting on business schools and their leaders, then detail the research, its purpose, approach and methods of data collection. Results are presented and analysed, conclusions drawn and recommendations provided.

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2.0 THE BUSINESS SCHOOL

2.1 Background

For many years universities have enjoyed a strong position at the heart of the global economy of knowledge, and business schools have been one of the major success stories in higher education over the last 40 years (Ivory et al. 2006:5, and Mintzberg 2005:377). Many figures suggest that even following the recent financial market turmoil business schools are continuing to do well, for example the Association of Business Schools (ABS, as cited by Arkin 2009:17) reported that applications for MBAs and other masters programmes offered by UK business schools grew in 2009 by typically 25% over the previous 12 months. Adenekan (2009) also identified that many top business schools are witnessing a surge in applications, as diminished job prospects force many people to get new skills.

Many commentators (e.g. Pfeffer and Fong, 2002) suggest, however, that business schools are reaching a crossroads in their development. Others go further, with Ivory (2006:5) for example arguing that their success story is coming to an end and they are under threat from a number of directions. Cornuel (2005) suggests that many are out of touch with business requirements if not business reality. Stanford's Harold Leavitt (as cited by GRLI, 2005:14) says:

> *We have built a weird, almost unimaginable design for [business] education that distorts those subjected to it into critters with lopsided brains, icy hearts and shrunken souls.*

Hawawini (2005:774) and Mitroff and Denton (1999:17) argue that typical business school courses have too strong an emphasis on quantitative management skills and techniques. Mintzberg's (2005) research into the effectiveness of MBA programmes found them to be too often focused on developing the mental strength and stamina of individuals. Hawawini (2005:774) argues that their teaching needs to focus on what he terms

'societal skills', which include the need for new paradigms of business thought and consideration of more global issues.

In 2005, Deans at the EFMD Conference (GRLI, 2005:33) were in unanimous agreement, that business schools should do more to influence students so that after graduating they make decisions and behave in ways that reflect globally responsible leadership.

Researchers and analysts increasingly are criticising the approach business schools are taking. Bones (as cited in Arkin, 2009:19) argues '*this is a sector about to sleepwalk into significant change'.* Starkey (2008) calls for business schools to create MBA programmes that go beyond merely a passport for careers in hedge funds, private equity, investment banking, venture capital and consulting. He identifies the need to cultivate an appreciation of history, the role of the state and of collective action to counter the fixation on markets and individualism (i.e. greed and selfishness).

The purpose of business and management education has thus been part of a long-running debate but as identified above this has seen renewed vigour since the recent financial crisis, for example see Fryer (2009) and the Financial Times (2009).

Although Bradshaw (2009a) argues that business schools need to give students more insight into what the new role of business will be in society, he agrees with Holland (2009) that this need has already been recognised by some schools and that their teaching has begun to change (Bradshaw 2009b:12). According to preliminary findings from research by the Association of MBAs (as cited by Arkin, 2009:20), a growing number of business schools are now putting business ethics and sustainability at the heart of their MBA programmes. In that research 59% of the 99 business schools surveyed said they covered ethics to a large or very large extent.

What these figures do not reveal however is the degree to which such issues as ethics and sustainability at a global level are becoming core threads

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running through the whole curriculum, the fundamental approach to learning called for by Mintzberg (as cited in Bradshaw, 2009b:12). This would change the pedagogy to enable students to internalise these important new elements of business education. Birkinshaw (as cited by Arkin 2009:19) identified that it is easy to tweak individual courses in response to unfolding events but wholesale change at programme level is more difficult and takes longer. If ethics and sustainability are treated as 'add-ons' to existing syllabi, lecturers and students may be tempted to view them as optional current fads.

2.2   A Turbulent Environment

Globalisation and rapid developments in travel and information technology mean businesses and their leaders are working in a rapidly changing, unfamiliar environment. We are also, according to Talbott (2009:227), in the throes of the most serious global recession the world has ever known. This financial crisis is however only one of a large and growing number of UGIs confronting leaders, a sample of others, including the type highlighted in the UN's Millennium Development Goals (UNDP, 2000), is shown in Table 1.

Table 1:   Illustrative Urgent Global Issues

Financial system failure
Resource depletion / sharing e.g. water, oil, deforestation
Climate change
Wealth / power distribution
Large areas of extreme poverty and hunger in the world
Domination by corporations
Soil degradation
Toxic childhood / protection
Obesity
HIV/AIDS
Reaction to expansion / market domination by China and India
Religious and other armed conflicts / extremism / radicalisation
Mass epidemics, resistance of bugs to antibiotics
Media domination
Species being wiped out, including all large animals.
Lack of education / lack of basic numeracy and literacy
Roles of nation states

The scale and scope of these UGIs seems to point to a crisis of leadership and meaning. There are many causes of UGIs and many potential sources for their effective resolution. Individuals, religions, governments, the United Nations, the World Trade Organisation, G8, G20 and many others all have their part to play. As De Woot (2005) argues however, the most dynamic players in globalization are corporations and those who control them (investment funds). Corporations hold an enormous amount of power, for example 50 of the world's largest 100 economies are not countries but companies and the ten biggest companies turn over more money than the world's smallest 100 countries (Leopold et al, 2005:281). Their combined power, size, international operation, and global influence mean business leaders must play a crucial role in helping to address the UGIs. Hormann (1990) believes:

> *Business, the motor of our society, has the opportunity to be a new creative force on the planet, a force which could contribute to the well-being of many.*

Bakan (2005:140) and Lorange (2003:133) are two of the many to suggest that in fact businesses are in total currently having a huge negative impact on UGIs, citing their short term, parochial and finance dominated focus as the major cause. Despite clear evidence of the limitations of this approach, including the financial crisis, this focus is still widespread in organisations, particularly in the West, including many of those that publicly espouse the importance of their Corporate Responsibility initiatives.

This debate is important because it raises fundamental questions about the role of business schools. Do they have a role to play in helping humanity resolve UGIs? If so, do their leaders recognise and accept it and are they aware of the issues and responding appropriately?

Or do business school leaders see resolution of UGIs as the role of government or other bodies and individuals, using economic and legal systems to ensure that businesses acting in their own self interest help

achieve these aims. Further, do they see their role purely as being to help businesses succeed in their aims by meeting their education and training needs, thus having no direct role in trying to achieve the broader objectives of government and humanity?

2.3 Business or School

A question that impacts on the answers to the above debate is whether a business school is fundamentally viewed as a business or a school. If they see themselves as traditional businesses, they might be expected to focus on looking for market share, seeking international opportunities, competing for clients, looking to generate profits and giving priority to economic and efficient modes of operation. Seeing themselves as schools, however, might lead to discussion of whether their role is the purely education and training one outlined above, or the far broader role of a university including thought leadership and research that leads to the furtherance of mankind, in their case tending to focus on the role of business in society and its effects on major global issues.

Is it feasible for business schools to perform all of these roles simultaneously? As Vinten (2000:180) notes:

> *Business schools cannot be all things to all people; they need to prioritise their mission objectives in the light of those stakeholders for whom they will decide to dedicate most of their energies.*

2.4 Summary

This review of current issues faced by business schools shows that there are very many challenges and significant tensions which their leaders must reconcile.

By far the most significant question arising from the review of literature, and one that seems to underpin many of the other areas, relates to what the focus of a business school should be. Should it be to 'help business' or 'help humanity through business'? Fundamental to this is the link business schools

have with urgent global issues. Do their leaders see their resolution as part of the business school's role?

What are the views of business school leaders on these questions? How are they responding? What advantages and difficulties does the approach they adopt bring? Is there a common focus and concern, different focuses in different parts of the world, or is it all disparate and specific to each particular school? Are their response and its consequences likely to change in the future?

This report will now go on to detail how we researched these issues with senior managers in business schools, the design and methodology used, the findings, conclusions and recommendations.

3.0   THE RESEARCH

3.1   Purpose and Approach

The main purpose of the research was to obtain a picture of the views of senior business school managers on the current and future roles of business schools in general and their school in particular, then collate and analyse these views for consideration by participating business schools and other interested parties.

The secondary purpose was to test the validity and robustness of the authors' Global Fitness Framework (GFF) (Rayment and Smith 2007) as an analytical tool. This will be achieved by using the GFF to consider the fitness for purpose of each participating school, a report being provided to the Dean. A forthcoming journal paper will report on the general findings of this analysis.

To enable these purposes to be achieved it was necessary to gather as rich and broad a picture as possible with the resources available, and this lead to adoption of a qualitative research paradigm.

Consideration was given to limiting the gathering of facts to published sources, including those available on the internet, and standard questionnaires. It was felt however that this would not provide the depth and richness necessary to draw conclusions about the views of specific senior managers. It was therefore decided to use semi-structured interviews backed by analysis of published sources in line with Davies and Thomas' (2009:7) suggestions *of 'collect[ing] perceptions from other sources, including … documentary analysis.'* To this end, advertising literature, course brochures, web pages and any other relevant information were used in the analysis.

Carrying out the interviews via telephone or using video conference facilities was considered but rejected as we felt we needed to gain a first-hand feel for, and knowledge of, the environment and circumstances in which the participating schools and managers operated. We also felt it was important to establish a close, personal, relaxed, informal, open and trusting environment.

To achieve this it was decided to go to the main campus of each school and carry out a one-to-one interview with each participant in their own familiar surrounds.

3.2 Sample Selection

Volunteers were sought via e-mails to academic networks and by word of mouth. A copy of the e-mail is shown in the appendix. In all cases, recipients were invited to forward the request to any other parties they felt may be suitable and willing to participate. 40 business schools volunteered to take part in the research.

Limited finance and time led us to restrict the number of schools involved to 15. In order to obtain a range of viewpoints, it was decided to select schools from a variety of geographical, cultural, environmental and economic development backgrounds, although the final sample contained a higher proportion of schools from Europe and India than would be representative of an equal global split. This was chosen due to the limited time and finance available and our desire to limit travel as we were aware of the potential hypocrisy of flying around the world to interview people about sustainability. As a result there are some major omissions in the areas covered, including China and America, which should be borne in mind when interpreting the results.

To enhance the breadth and reliability of answers we requested involvement of three senior managers from each participating school. In all cases these included the Dean or their equivalent and other top manager / academic volunteers suggested by the Dean. As detailed in Table 2 a total of 38 senior managers from 15 schools in 7 countries took part.

Table 2   Participating Business Schools

Country	Business School	Participants
Brazil	Fandacao Dom Cabril	3
England	Ashcroft International Business School Anglia Ruskin University	3
	York St John Business School	3
	Two other schools in England participated but declined to have their name included in the report	6
Germany	Institute of Management Berlin	2
India	Bhara Tiya Vidya Bhavan, Bangalore	3
	Indian Institute of Management, Bangalore	1
	Jaipur Engineering College and Research Centre	3
	Jagannath Gupta Institute of Engineering and Technology, Jaipur	1
	Sidvin, Bangalore	1
	One other school in India participated but declined to have their name included in the report	3
Scotland	Napier University, Edinburgh	3
South Africa	Uni of Stellenbosch, Bellville	3
Tanzania	Financial Training Centre, Dar Es Salaam	3
7 countries	**15 business schools**	**38 interviews**

3.3   Data Collection

Interviews lasted between 50 and 120 minutes with an average of about 90 minutes. They were based around the ten discussion themes shown in Table 3, which covered the main issues identified from the literature review outlined earlier in the paper. All interviews were recorded, with the consent of the participants.

We were aware of the importance of having the correct range and phraseology of themes so as to give the interviewees ample opportunity to introduce those aspects of current and future roles, level of success and perceived causes of that success that they felt most relevant and important. Trial interviews were completed with individuals who were not involved in the

research to test the validity of the themes and that their phraseology was understood by the interviewee and produced the type of response we sought.

Table 3   Interview Discussion Themes

No.	Discussion Theme
1	Please spend a couple of minutes telling me what this business school is all about
2	How successful is it?
3	What are the main influences on that level of success?
4	How do you help ensure your school's provision is kept relevant and up to date?
5	How do you ensure you don't over-react to short-term pressures?
6	What are the major changes that have taken place in the last five years?
7	What changes do you anticipate in the next five years?
8	How are staff involved in such changes?
9	To what extent are external stakeholders involved?
10	This research is looking at current and future roles of business schools. Is there anything else you would like to add?

Copies of the themes were supplied at the beginning of the interview, participants having previously received an e-mail (see the appendix for a copy) outlining the purpose and scope of the research.

We were conscious of the danger of using questions or terminology that would encourage the interviewee to reply in ways that reflected our own interests or focus. In particular, while we were keen to establish the importance given by participants to UGIs and the role of business schools in their solution, we felt including a question specifically on that area might lead respondents to give answers that overstated its importance to them.

It may be that not specifically mentioning UGIs may have discouraged participants from including them in their replies but our questions did not mention any other specific roles either and we feel justified in our view that interviewees will have responded by covering those areas that were of genuine importance to them. The e-mail sent to participants and copied in the

appendix includes the following extracts and we felt this was as far as we could go in introducing the possibility of a global role for business schools without prejudicing our findings:

> *In light of the recent turmoil in economic and financial markets coupled with other urgent global issues (UGIs) such as sustainability…*
> *are undertaking research on the future role of Business Schools...what Business School leaders feel has influenced their school's success to date and whether business schools provide the relevant education, research and consultancy to help businesses fulfil their future role...*

Theme 1 was used to allow the interviewee to relax and give them a chance to introduce the role and purpose of their school. Theme 2 raised the issue of how successful the leader felt their school is and gave an opportunity for them to introduce any areas of its role not already mentioned.

Theme 3 extended the theme of success encouraging the interviewee to talk about influences on success, which we felt might include some of the areas identified from the literature review. Together, these first three themes gave the participant scope to bring in a wide range of factors and were deliberately open in their phraseology so as to invite them to use their own interpretations of the role of the school, meaning of success and what factors influenced it.

Themes 4 and 5 covered general attitude and approach to keeping up to date while not over-reacting to short-term pressures, which we felt would relate the long term role and purpose to more short term incremental changes. Themes 6 and 7 sought specific illustration of recent and anticipated changes, to assist our understanding of the scale and scope of such activities and confirm the interviewee was interpreting the questions in the way intended.

Themes 8 and 9 covered involvement of staff and other stakeholders to help us establish the extent to which the strategic and operational aspects were integrated and confirm the leader's attitudes in these areas. Theme 10 reiterated the main focus of the research and gave the opportunity for the interviewee to add any further points.

4.0 FINDINGS FROM THE RESEARCH

When considering the findings the reader should note that the research sample is biased. Possibly the biggest factor here was that all invitations to participate and the interviews themselves were in English and the initial analysis of the results described in this paper is based on interpretations from people brought up in an English-speaking environment.

Another important consideration is that the sample was drawn from volunteering schools, which we assume were keen to be involved in the research, many of the participants being known to us through mutual interest in the topic. This may mean that they were not as comfortable with the current role of business schools as was typical, and were keener to see change. Some respondents were nominated by their Dean and may have been selected because they were known to be more aware, concerned and active than was average or typical. Some may have been selected due to having similar views to those of the Dean, and colleagues with opposing views may have deliberately not been selected.

Being a relatively small scale scoping study, the research does not reflect all types of schools, circumstances, locations or views. As stated above, two important omissions are China and America. Care should therefore be taken in drawing generalised conclusions from the study, which should rather be taken as illustrative of the range of views held. The authors argue, however, that the variety and depth of perceptions gathered provides a database of the kind Bryman (2008:378) has spoken of, which allows others to make judgements about the possible transferability of findings to their own situation.

The fact that 40 business schools volunteered to participate indicates the depth of interest in the topic. All participants were happy to spend up to two hours discussing the issues in a very open manner, with someone who was often a complete stranger. Participants all seemed well prepared for the interview, many having written notes or extracted relevant material to support their views. This indicates high levels of interest and commitment from such senior personnel.

All participants seemed to understand the purpose of the research and accept the approach adopted. While the interviewers ensured all relevant aspects were covered during the course of the interview, it was not felt necessary to go through the ten themes rigidly or in a specific order. Discussion tended to be open and wide-ranging such that the breadth of information provided easily met our expectations. In many cases, discussion of Theme 1 lasted for 30 minutes or more and touched on several other themes, which were often referred to again later in the interview.

4.1   Main Finding

Leaders of participating business schools did not convey the impression that steering business toward helping humanity achieve a sustainable future and tackle urgent global issues is seen by them as one of their main roles, either current or future.

While accepting the relatively small scale of the research and need to be cautious in drawing generalised conclusions, we feel the above conclusion is valid since, despite the growing debate on urgent global issues and recent financial crisis, none of the 38 managers who participated in the research conveyed to us that they or their business school had a long-term global viewpoint that recognised the urgent global issues facing humanity, or felt that business and business schools had a fundamental role to play in tackling them.

In an attempt to understand this outcome, the responses were analysed further and it was found that they fell into three categories which related to the socio-geographical location of the schools. These are described below as BRIC, European Type 1 and European Type 2 schools.

4.2   BRIC Economies

This expression originally referred to Brazil, Russia, India and China but can be taken to include other developing countries with a similar economic and

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social background, thus we have included the participants from South Africa and Tanzania here.

Poor infrastructure and low capital are seen as a legacy from the past, but these countries are prepared to borrow to obtain equipment for large-scale growth. Demand in the West has fallen so there is spare capacity worldwide (e.g. for cranes) so demand from BRIC economies comes as a relief for international companies supplying such resources. Rate of economic growth is high and increasing but there is still vast room for further expansion e.g. car use and road building programmes.

These economies are keen to expand and occupy what they see as their rightful position in the global economy, exploiting the increased power that comes with it. They have spare resources, including people, a history of exploitation either by the West or some form of dictatorship, and a population who now expect freedom and an increasing standard of living more in line with that current in the West. Individuals are looking for personal / family growth and to rise up the economic ladder.

As a group, these countries are united, confident, independent and increasingly challenging of Western dominance. They generally regard global issues as being caused by the West and that the West should do most to solve them. The BRIC countries are focused largely on their own roles and problems such as standard of living of their people, which they see as more immediate, relevant, clear and certain than global issues.

4.3 BRIC Business Schools

Based on the research sample leaders of BRIC business schools seem to be in line with the environment outlined above and in tune with the growth, challenge and change expectations shown by their stakeholders. The leaders of the schools involved in the research were generally young, ambitious, forward-thinking, decisive, action-focused, targeted and realistic.

The schools have high occupancy levels, large teaching groups, lean management teams and make efficient use of staff. Syllabus, content and delivery tend to be traditional, although they do make very good use of information technology. They are generally looking to follow the West in terms of measures of success and how to achieve it.

There were three common foundations to their leaders' approaches that were apparent from our research.

4.4 Spiritual Foundation

These business schools have often been set up by a philanthropic individual or society, their focus being on developing local disadvantaged people from a poor background, aiming to give them a lifetime career and develop the local economy. They expose their students to a wide variety of spiritual approaches, hoping each student will find one that provides them with a framework for their life. In general, they do not include specific spiritual / religious education or teaching, believing that all such teachings have the same fundamental message. They also tend to celebrate all festivals and rituals, partly to help students feel at home and remind them of their family and roots, but also to provide the opportunity to discuss the meaning and importance of such activities with the students.

The schools range in size from small scale, focused on local people, to large international organisations with campuses in many countries. They tend to experience rapid growth due to high local demand and the ease of gaining external accreditation for their BAs and MBA from both regional and international accreditation bodies. Their leaders are aware of the shortcomings of standard provision and approaches and often add their own skills programmes to give students a well-rounded education aimed at making them employable and industry aware, and to provide a life framework.

Their common strategy is to focus on what they can influence and are good at which can mean they exclude issues such as sustainability in preference for

traditional skills. Global warming is typically seen as one problem among many which will be tackled since God or science always provides an answer.

Part of the leaders' drive is the desire to provide quality education for affordable fees, expose pupils to 'the world of opportunity' and inspire them to push for their share and to tell others about it. Students' success provides great satisfaction to these leaders whose personal focus tends to be on other things than monetary and other physical needs. They see education as a dynamic environment with 'old' providers often slow to change due to built-in inertia and bureaucracy, giving new entrants a big opportunity.

4.5   Gateway Foundation

Many leaders of these schools see their role as being a gateway and communication conduit between their own country and the West, helping improve the extent of co-operation and collaboration between them, increasing understanding and awareness of each other's needs, resources, cultures and opportunities, providing contacts and smoothing travel and other concerns.

4.6   BRIC Foundation

The third common foundation is for leaders of these schools to see their role as obtaining a fairer balance between Western and other economies, helping to overcome historic inequities and attitudes.

These leaders are looking to help the local economy grow and see their economies as being under-developed, many of the people underfed and living in squalid conditions despite there being spare resources to hand. They look to help local people emulate the success of the West and see global warming / sustainability as of secondary concern and created by the West, so the West's problem. Their own clear priority is regional development.

For all three of these approaches, willingness to compete with the West is growing rapidly as their previous deference to Western methods and quality

declines (this being less so for the leaders of top schools, which seem to view close ties with Western schools to be advantageous).

Crucial for this research is the prevalent attitude in both businesses and business schools in BRIC countries that expansion is valid and desirable, resolution of such global issues as sustainability lying with the West.

4.7 European Business Schools: Type 1
These are relatively small schools which are focused on helping the local population become employable and develop sustainable local industry. They are not looking to significantly expand geographically nor increase their market share per se. They use a traditional syllabus and teaching style but have some flexibility in admission requirements, particularly for local people.

Their leadership and staff tend to be united in their views and approaches. They are keen on staff development and use externals to give a balanced / broader provision. They have good links with other faculties and are keen to be part of the university and local community, thus they have good strategic fit internally and externally.

Of particular relevance to this research, however, is that while the leaders are concerned about issues such as sustainability at the local level, they do not seem motivated to question the broader role of business and business schools at the global level, effectively relying on larger, more globally focused schools to do so.

4.8 European Business Schools: Type 2
This last type of school consists of larger European business schools, mainly from new universities or set up independently.

Leaders interviewed from these schools tended to assume that the role of a business school is to help the business sector achieve its objectives, which they took to be such elements as growth, increased market share, maximum

profit and return on capital employed. Further they viewed their schools as businesses first and schools second, such that they behave like businesses, looking to expand, increase their market share and go international. Crucial to their long-term success as they see it, is their ability to achieve and maintain an international presence and to establish internal systems and operations which fit this strategy. Those business schools that are part of universities claim to be being treated by them as businesses, often used as a cash cow to generate funds for other faculties.

Given this assumed role and strategy, these leaders tend to view themselves and their schools as successful in that they have risen to the top, continue to grow and make good money. In business terms, they have been and are achieving good results. If they have any doubt it tends to be that they could have expanded faster and further, both by obtaining a bigger share of the traditional business school market but also by moving much more stridently into such areas as business research, consultancy and knowledge transfer.

None of the leaders we interviewed in such business schools were fundamentally reviewing their role or approach with respect to urgent global issues despite their broadly expressed concern over the growing number of such issues facing humanity and acceptance that there is a potential major role for business in helping find and implement solutions. The recent financial market collapse is either being ignored completely or taken as a natural part of the still valid market system.

When discussion moved to the role of business schools at the global level we found that these leaders felt their schools did have a role to play. However, consideration and development of such a role was just not one of their schools or their own personal priorities at this time as they found other concerns were more pressing and of immediate consequence.

Common among these other concerns was a move toward a heavily practice-based approach, which focuses on ensuring their programmes meet the immediate practical needs of business. For some, this may be seen as a

return to their polytechnic roots. This practice-based approach is typically implemented via very close links with business, involving them in design and implementation of programmes which are then tailored to the needs of specific clients.

Expansionary moves also took up a great deal of these leaders' time and effort, particularly when it involved establishing international links. They felt the need for personal involvement including physical presence during negotiations and at key events such as graduation.

Concerns over maintenance of quality despite growing pupil numbers and reduced staff levels was a further common focus for these leaders, often linked to remote access via the internet. Many other concerns were mentioned including changes in demographics coupled with oversupply of HE provision, changes in learning approaches and general programme content linked to IT development, reduction in government finance and consequent increased reliance on other sources, particularly businesses for funding.

Together these activities consume a large amount of senior manager's time and several leaders expressed concern that they could result in failure to give sufficient attention to other strategic issues.

Extremely worrying from the viewpoint of this research is that although these schools operate internationally and view themselves as leading business schools, there is an apparent lack of thinking, leading or educating on issues such as the role and effects of business at the global level.

5.0 DISCUSSION

At first sight the above conclusions and comments may seem to be negative and critical of participating business schools and leaders but we did not feel those interviewed were poor managers. Indeed, we felt they were extremely effective within the constraints, pressures and tensions they have to manage, the prevalent attitudes and level of thinking surrounding them, and with the tools they have at their disposal. The literature review in Section 2 led us to feel that those who participated in this research are typical of leaders in business schools.

Nevertheless, the business schools involved in this research are clearly not adopting a global leadership perspective nor attempting to lead business and humanity toward genuine sustainability and solution of other global issues, and we believe this holds true for the vast majority of business schools worldwide.

5.1 BRIC Business Schools

From the above summary, BRIC business schools could be viewed as:
- Effective at decision making with all managers involved, and demonstrating good communication and logical processes. Highly efficient operating methods;
- Showing good awareness of physical, mental and spiritual aspects of humanity, each of the three groups identified having its own form of spiritual foundation;
- Having a local or national approach with little concern for global issues beyond how they can be used to achieve improved standards for their own economy;
- Not very concerned over the validity of the assumptions on which business education is currently based;
- Having a modern mission in that they have shaken off the exploitation of the past and are now looking for a fairer share of resources.

At present these BRIC Business Schools seem generally to be focusing on encouraging and supporting their country's economic growth. While this is the

philosophy that has routinely been adopted by Western schools, it has a narrow focus which fails to consider the global situation and the tensions such growth will inevitably create given its negative impacts on urgent global issues such as climate change and resource depletion. If they continue to encourage their economies to expand, the effects of any global issues may be felt particularly strongly by their own people for geographical reasons.

Rather than follow the same mistakes as the West, they could be looking for an alternative strategy that would lead to a just, sustainable and fulfilling human presence on the planet.

5.2 European Business Schools: Type 1

In many ways these schools are similar to those from BRIC economies:

- Effective at decision making with all managers involved, good communication and logical processes. Efficient operating methods;
- Adopting a local approach with little concern for global issues, but good awareness of physical, mental and spiritual needs of their community to achieve long-term sustainability;
- Little concern over the validity of the assumptions on which business education is currently based;
- Having a modern mission in that they are looking more broadly than the immediate economic performance of their own organisation, towards the performance of the local economy which they are there to serve.

These schools are focused on encouraging and supporting the local community. While this is insular, their small scale means the effect of these policies at the global level is likely to be limited and the objective of optimising local employment levels is laudable.

These schools are well advised to focus their limited resources on a relevant cause which they are likely to be able to influence but should be aware of global issues and bear them in mind in their actions.

5.3 European Business Schools: Type 2

Given the approaches adopted by the two categories discussed above, we see Type 2 schools as crucial to the development of any new approaches to business education that may be required in the global arena, but those interviewed did not seem to have recognised or adopted this role.

Attitudes of the leaders interviewed can be summarised as follows:

- None conveyed a long-term global viewpoint that recognised the UGIs and associated risks facing humanity;
- While they spoke of sustainability, none had attempted to define it at a global level;
- None had systematically examined the roles of business and business schools at this global level;
- None were seriously challenging the foundations of their current programmes or other fundamental changes required to help achieve a sustainable human presence on the planet;
- Those who were thinking globally were focused on ways in which their school could increase its international presence and overall market share;
- Those who stated personal interest in solving UGIs felt there was confusion and disagreement as to what the mission and strategy of the business school should be in these areas;
- A very strong majority saw the key role of business schools being to provide suitably qualified and experienced staff to businesses to enable them to achieve their aims;
- Relatively little attention was given to what those aims should be and none of those interviewed expressed the view that business schools had a major role in leading and shaping such aims towards a focus on the greater benefit of mankind.

We were surprised by these findings for a number of reasons. Firstly, they seemed to go against the tenor of the contemporary literature in the field, as outlined in the literature review earlier in this report, which calls for business schools to adopt a global role.

Secondly because, despite being counter to current literature, they were so strongly held by all the leaders we interviewed from these schools. While our interviews only included European schools in this category, the literature review leads us to believe this also applies to Type 2 schools worldwide.

Thirdly, as explained in Section 3.2, participating schools had volunteered to take part and we felt this meant the sample was if anything biased toward participants being more aware than most of urgent global issues and the need for businesses and business schools to play an important role. If leaders from these schools were not concerned with the global leadership role, it was perhaps even less likely that others would be, which we saw as further confirmation that these attitudes are likely to apply worldwide to schools of this type.

Further thought on these points made us recognise a fourth cause of our surprise, namely our own unchallenged assumption that business schools had a recognised role in thinking, leading and educating businesses toward helping solve global issues. This is crucial since if no such role exists, or it is not accepted by the leaders, they will not work towards it.

This idea fits well with the views discussed in the literature review of such authors as Mintzberg (as cited in Bradshaw, 2009b:12) and Birkinshaw (as cited by Arkin 2009:19). Issues such as ethics and sustainability at a global level may be appearing on individual courses and in individual modules but not as core threads running through the whole curriculum. Business school leaders may be treating ethics and sustainability as 'add-ons' to existing syllabi, and tempted to view them as optional current fads rather than a fundamental part of their role.

Business schools are a relatively recent introduction and it may be that their role has always been, or assumed by their leaders to be, to support business rather than individuals or society. Many were originally set up and / or financed by successful business people and such benevolence has continued

and in many cases been relied upon by business schools. Their leaders tend to have very close ties with business, come from a business background and involve large numbers of business people in the management, design and delivery of programmes within their schools. These close ties may make it difficult for the business school leaders to divorce themselves from the desires and prejudices of business and moves toward measuring their performance in business-type ways.

Validity of such an approach by business school leaders goes to the very heart of the role of business. Does it have a direct social function – a corporate responsibility - or should its individual members act selfishly with economic theory showing how the fit will survive and the inefficient go to the wall? Government is there to control and steer their actions to deal with any market imperfections.

Historically, businesses were tightly controlled in their activities, modes of operation, longevity, financing and risk taking. Such controls have gradually been loosened, however, partly deliberately by governments based on the justification that free markets are good for economic, social and societal development, and partly because governments have been outflanked by the growth in scale and scope of business activity, particularly its globalisation and the dominance of multi-national companies.

5.4 Fit for Purpose

Given such fundamental change, a review is needed to establish whether current business and business school practice is 'fit for purpose' from a societal viewpoint. The next section briefly introduces this topic using the researchers' concept of MisLeadership (Rayment and Smith 2010).

Leadership could be said to be misguided if the objectives are not suitable or approaches adopted are not capable of achieving valid objectives. None of the leaders of schools in our final category seemed to be taking a truly global perspective. Those claiming to be international tended to adopt an exploitive approach, seeking opportunities to make short term gains rather than

considering the world as a whole and the potential role of business and business schools in achieving a sustainable human presence on the planet.

A further area in which we felt the leadership was often misguided was in the debate as to whether business schools should be theory driven or practice-based in their research and teaching. Teaching based on theory alone is doomed to failure in a real-world field such as business but equally a focus on being practice-based relies on current practice being valid both now and in the future, when it is often seriously flawed as illustrated by the recent collapse of the financial markets and the range of urgent global issues facing society. Together, these arguments point to a combined approach, where theory and practice are developed in tandem, each testing and reinforcing the other, thus any business schools adopting either extreme would be misguided.

The researchers found the amount of attention being given to this simple and basic debate disconcerting and argue that those leaders who spend an inordinate amount of time debating the finer points of this issue are likely to have their attention taken away from more pressing and taxing issues and thus be exhibiting what we term missing leadership. This would also apply to any other concerns given more attention than merited. Academic freedom was mentioned by several interviewees as being used by leaders to justify not giving a lead on the type of major changes required in the global environment and we view this as another form of missing leadership.

Our research also revealed a general lack of independent strategic thinking by these business school leaders. The same concepts, ideas, approaches, logic and assumptions were repeated to us by the majority of the leaders interviewed, implying they are using the same sources for their arguments and failing to develop many original ideas.

One of the most significant findings from this research is that none of those interviewed seemed to have thought through the potential for business schools to lead business thinking globally or recognised the opportunities such leadership would provide. No other organisations – whether

international corporation, government, United Nations, G8 or G20 - have taken on this role effectively and business schools may have unique properties such as their independence, international presence and close ties with business that make them particularly suited to it.

Leadership may be misinformed if leaders base their decisions on the wrong information or false or invalid assumptions. Leaders of these European Type 2 business schools often do not seem to recognise the severity of the global situation, the role business has had in the creation of not only the financial crisis but many other urgent global issues, or the possible role business schools could play in helping to resolve these urgent global issues. The focus of such leaders seems to be historic and founded in economic and social paradigms that may not be valid in a global setting when they should be looking forward, recognising growing issues and leading development of viable solutions.

Machiavellian leadership would be where leaders are attempting to achieve hidden agendas. It may be that some business school leaders are deliberately avoiding making the kind of changes required in order for their organisation to properly fulfil the role outlined.

There may be a great deal at stake personally for the leader. If they make changes and get it wrong, their role and personal credibility and job security might be threatened - it can be easier and apparently safer to follow others and stick to the same, apparently successful, historical approaches than risk standing out from the crowd by doing something different. These pressures may increase as the leader approaches retirement.

Some leaders may have close personal ties to the businesses their school works with and be unwilling to jeopardise them.

6.0 CONCLUSIONS

BRIC economies and related business school leaders see their role as expanding to provide local people with a higher standard of living, and view issues such as global warming and sustainability as caused by, and the problem of, the West.

Rather than follow the same mistakes as the West, BRIC economies and related business school leaders should be looking for an alternative strategy that would lead to a just, sustainable and fulfilling human presence on the planet.

Leaders of many European business schools are focused on the local economy and concerned about issues such as sustainability at the local level. They do not seem inclined to question the broader role of business and business schools at the global level, effectively relying on larger, more globally focused schools to do so.

These schools are well advised to focus their limited resources locally but should be aware of global issues and bear them in mind in their actions.

Leaders of European business schools that operate at the international level see the role of their school as supporting business rather than individuals or society.

Thus none of the leaders of participating business schools conveyed the impression that steering business toward helping humanity achieve a sustainable future and tackle urgent global issues is seen by them as one of their main roles, either current or future.

These conclusions contrast with the thrust of our literature review and our own prior assumption that business schools had and accepted a role in thinking, leading and educating businesses toward helping solve global issues.

7.0 RECOMMENDATIONS FOR FURTHER RESEARCH

This study is narrow in terms of its geographical / cultural coverage and it is felt that extending the study to include schools from other locations including China and America would help inform the debate and confirm our findings. We are also aware that there may be business schools that already adopt a global focus and case studies of their approaches and experiences would also make a useful contribution.

Our main conclusion was that none of the leaders of participating business schools conveyed the impression that steering business toward helping humanity achieve a sustainable future and tackle urgent global issues is seen by them as one of their main roles, either current or future.

A review is needed to establish whether current business and business school practice is 'fit for purpose' from a societal viewpoint. An initial outline of this topic drawing on findings of this research and using the researchers' concept of MisLeadership (Rayment and Smith 2010) was given in section 5.3 but the scope is far wider than that.

Specific themes within such a review, each of which could form the basis of a major research study, include:

1. Assessment, rethinking and reworking of the validity of fundamental assumptions and approaches of the market system, many of which may lack validity in the modern global environment;
2. Is some form of global leadership necessary for humanity to achieve a just and fulfilling sustainable future?
3. If so, what form should such leadership take?
4. Do businesses and business schools have a part to play?
5. If so, what are their respective roles in this area?
6. How can business school leaders be encouraged to accept the role and ensure their school plays its part?
7. What are the roles of other global players?

We hope this brief external perspective is of assistance to business schools and other interested parties in considering and working through these issues. We would be happy to discuss or provide clarification of any elements of this report and to present the findings to an appropriate audience and assist further in working on any of them.

We are also very keen to establish an international cluster of business schools interested in further developing any of the themes outlined above.

Please contact John Rayment – John.Rayment@anglia.ac.uk , telephone +44 (0) 45 1966859 or Jonathan Smith - Jonathan.Smith@anglia.ac.uk telephone +44 (0) 845 1962069. We would be delighted to hear from you.

APPENDIX   COPY OF E-MAIL INVITING PARTICIPATION

BUSINESS SCHOOL LEADERSHIP RESEARCH

In light of the recent turmoil in economic and financial markets coupled with other urgent global issues (UGIs) such as sustainability, my colleague Dr Jonathan Smith and I from the Ashcroft International Business School in the UK are undertaking research on the future role of Business Schools and approaches their leaders could take to ensure the long term success of their school.

A crucial element of this research is establishing the views of leaders in such schools and to that end we are interviewing the Dean and two senior managers from 12 schools across the world. Several schools have already agreed to participate and yours has been suggested as a useful potential contributor.

The focus of the interviews is on what Business School leaders feel has influenced their school's success to date and whether business schools provide the relevant education, research and consultancy to help businesses fulfil their future role. .

While this is not an evaluation of your current performance, participants will receive a 6-page confidential report on their own organisation including challenging and stimulating points for reflection which may form the basis for future discussion with their top management team, other staff and stakeholders. They will also receive a copy of the main report showing overall findings from the research and enabling them to see how their views compare to the other 11 schools in the study.

We would like the interview with the Dean to last approximately 1.5 hours and those with other senior managers one hour each. Ideally all three interviews will take place on the same day. Supporting evidence and background information will be sort in the form of annual accounts, organisational structure charts, course prospectuses and other reports. It is anticipated that all such events will have taken place by the end of August 2009, with specific and general reports available by the end of December 2009.

All information supplied will be anonymised and names of participating organisations will be excluded from all publications with only those schools requesting their involvement to be made public being shown as participating.
I hope you will agree that this is a fascinating, topical and crucial piece of research of clear and immediate benefit to you, your organisation, business schools, businesses and society at large.

If you would like to help us in this review of the role and effectiveness of business schools and obtain an independent and confidential strategic review of your school, please reply to this e-mail.

Thank you for your interest and I look forward to meeting you soon.

Sincerely

John Rayment

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