This paper is from the BAM2019 Conference Proceedings

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Business School Education: An Emerging Responsible Management Logic

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Abstract

Business schools have gained attention for their perceived, and some argue actual, contribution to many business crises. Business schools have implicitly accepted partial responsibility, and have implemented changes at collective and school levels. The indicated conflicts between graduates’ practice and what is desired from graduates, as responsible citizens, demonstrate a time to reflect on business school education institutional logics. Within this context, we investigate business school education institutional logics, as demonstrated by course outcomes. We question what institutional logics are evident in business school education, and are there patterns that might explain schools’ logic adoptions? We collect and analyse business degree graduate attributes and course outcomes from an inclusive range of business schools. Preliminary findings indicate inclusion of responsible management characteristics within business degrees (as a variation to a market logic). Further analysis will be undertaken to identify indicative explanatory patterns and matches to institutional logics.

Keywords

Institutional logics perspective, Citizenship, Graduate attributes, Course outcomes, Accreditation

Word Count: 1,832
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Introduction

The 2001 Enron collapse and the 2007-2008 Global Financial Crisis focused attention on business and especially the motives and behaviours of business people (Podolny, 2009; Tang & Chen, 2008). The focus also drew criticism of business schools and their role in these events (Bridgman, Cummings, & McLaughlin, 2018; Khurana, 2007; Podolny, 2009; Swanson, 2004; Trank & Rynes, 2003). It was argued that the content and approach of business school education initiated and inevitably led to these events; the business people were doing what they had been educated to do (Ghoshal, 2005; Khurana, 2007; Murcia, Rocha & Birkinshaw, 2018; Podolny, 2009; Swanson, 2004). These events are examples of endogenous and exogenous dynamics calling the very institution of business schools into question (Birnik & Billsberry, 2008; Cooper, Parkes & Blewitt, 2014; Grey, 2004), or at least their missions (Murcia et al., 2018; Swanson, 2004).

In response, and from internal investigations, business schools have acted, with at least some implicit responsibility for their graduates and the actions undertaken (Podolny, 2009). As collectives, and as individual schools, business schools have implemented changes to address these challenges. In early attempts to implement these changes, Swanson (2004) documents collective resistance to such efforts. Indeed, some business schools withdrew ethics, corporate responsibility and similar subjects, responding to student satisfaction and job readiness requests (Swanson, 2004; Trank & Rynes, 2003).

Nonetheless, efforts to respond to the challenges have persisted. Collectively, the United Nations Sustainable Development Goals (SDGs), the associated Principles of Responsible Management Education (PRME), and the Global Responsible Leadership Initiative (GRLI) have raised the profile of- and action for- responsible management in business schools. The need to address the SDGs have also been realised by the corporate sector (Nowak, Rowe, Thomas & Klass, 2008). Partnerships between business schools and businesses have generated demand for graduates with skills in helping businesses achieve SDGs (Nowak, et al, 2008). Responsible management is also reflected in influential business school accrediting agencies (who are also often partners of the aforementioned initiatives) (Thomas, Billsberry, Ambrosini & Barton, 2014). For example, the EFMD [European Foundation for Management Development] Quality Improvement System (EQUIS), have placed a greater emphasis on “ethics, responsibility and sustainability” outcomes (EFMD, 2018: 6). Additionally, business schools have now had sustained adoption of ethics and similar subjects into their degree programs (Podolny, 2009), becoming more mindful of their contexts (Ray, Baker & Plowman, 2011; Thomas et al., 2014).

All the same, such responsive efforts have been critiqued as not making substantial enough change; changing image rather than substance (Gioia & Corley, 2002; Trank & Rynes, 2003). Instead, it is convincingly argued that integration needs to be at the level of business schools’ missions and values (Cooper et al., 2014; Murcia et al., 2018; Pfeffer & Fong, 2004; Podolny, 2009; Swanson, 2004), as compared to curriculum inclusions. It is also argued that school responses are insufficient for the scale of the challenge. Indeed, as Pfeffer (2005: 96) states, “we need to take collective action or else nothing will change”. That is, systemic change needs to occur, though also likely pluralistic change (Birnik & Billsberry, 2008).

To understand and explain the described systemic business school context we adopt an institutional logics perspective (Decker, Üsdiken, Engwall & Rowlinson, 2018; Ocasio &
Radoynovska, 2016; Thornton, Ocasio & Lounsbury, 2015). An institutional logic is the socially constructed belief system, of values, rules and practices that (re)produces meaning and legitimacy of participants’ world (Decker et al., 2018; Thornton et al., 2015). There are multiple logics (e.g. family, professional, market, religious, state, community, market & corporate logics), and, whilst behaviours are located within a logic, people can live in multiple logics, deal with and switch between them; there is institutional pluralism and complexity (Ocasio & Radoynovska, 2016; Thornton et al., 2015). Whilst a logic does not determine personal or system outcomes (i.e. existing within a family logic does not necessarily determine ‘family’ behaviours), the logic primes the likelihood of adopting the logic’s motives and behaviours (Thornton et al., 2015).

More specifically, we argue that business school education exists within a field of institutional logic pluralism (i.e. could be more than one). Importantly, we suggest that the endogenous and exogenous events and dynamics present a time to reflect on business school education institutional logics (i.e. the dominant logics might not match with a desired belief system) (also see Bridgman, Cummings & McLaughlin, 2018).

Rojek (2014, first published in 1985) argues that a market logic, emphasising privatisation, individuation, commercialisation and pacification has invaded social systems (his focus was on leisure). Universities have not feared any better, with the market logic being adopted in their organisation and management (Rolfe, 2013). In contrast to the traditional professional logic that dominated business schools (Ocasio & Radoynovska, 2016), we extend that the market logic has permeated business school education (as Rolfe, 2013, argued for university teaching more broadly). Podolny (2009) demonstrates the invading market logic through his critique of positivistic emphasis, compartmentalisation, and the exclusion of humanity in business education (also see Rakesh Khurana’s (2007) critique of American business schools, Duff McDonald’s (2017, as reviewed by Bridgman, Cummings & McLaughlin, 2018) history of the Harvard Business School, and Pfäffer and Fong (2004), and Thomas et al. (2014)). That is, the culture, values, rules and practices of the market dominate education in business schools, and as such, through their education, graduates are primed into a market way of seeing and behaving in the business world. Whilst the market logic does not inherently endorse or support corrupt practices of the previously noted crises, it does emphasise maximised economic benefits (Ocasio & Radoynovska, 2016). The incoming market logic also coincides with the weakening of a professional logic, and its associated beliefs, values and practices (Thornton et al., 2015). Importantly, we are not suggesting that the institutional logic framing business education has a causal relationship with graduates’ actions (good or bad), though do argue that it primes the likelihood of graduates adopting the logic’s motives and behaviour (Thornton et al., 2015). Again, others argue business schools have greater responsibility for their graduates’ actions (e.g. Ghoshal, 2005; Khurana, 2007; Podolny, 2009; Swanson, 2004).

We also contend that the recent crises, and consequent attention on business school education evidences institutional conflict (Ocasio & Radoynovska, 2016), which can induce institutional logic change (Cooper et al., 2014; Decker et al., 2018). Given what we expect to be a period of institutional change, likely demonstrating greater pluralism and complexity, we do anticipate there to be multiple logics evident (Ocasio & Radoynovska, 2016; Thornton, et al., 2015). Additionally, we also contend that business schools have institutional agency for the logic they commit to (within the constraints of their previous commitments), for differentiation or isomorphism (Decker et al., 2018; Ocasio & Radoynovska, 2016).
In this context, we aim to investigate business school education institutional logics. We argue that the field’s institutional logics are materially demonstrated in course outcomes, and as such we can use the explicit terminology to identify the dominant logics which prime graduates’ subsequent motive and behaviour adoption. By identifying the field’s institutional logics, we will gain a profile of the field’s pluralism, and indicative explanatory patterns for the different logics. In essence, we have two research questions. First, what institutional logics are evident in business school education? Second, are there any patterns that might explain the logic adoptions of the schools?

Nonetheless, this paper is a work-in-progress. As such, we will be presenting preliminary findings here, and further detailed analysis at the round table discussion. We are especially looking for feedback on probable explanations of relationships between emergent outcome themes and business school characteristics.

Method

To investigate business school education institutional logics, we focus on graduate attributes and course outcomes. We focus on the graduate attributes and course outcomes as these are explicit statements as to what the business school graduates will, at a minimum, be able to demonstrate, and are increasingly the focus of actual testing (i.e. assurance of learning processes). Additionally, given the explicit nature and the testing of these, we also treat these as up-to-date statements of intent. For example, the Association to Advance Collegiate Schools of Business (AACSB), expects these outcomes to be reviewed twice in a five-year cycle (AACSB, no date).

We collected the graduate attributes and course outcomes of business school degrees by searching school websites. We have purposefully collected data from a range of business schools. This range is characterised by region (e.g. North America, Europe, Africa, East Asia), country, accreditation (e.g. AACSB, AMBA, EQUIS), age, and research and teaching ranking (where available).

The graduate attributes and course outcomes were coded based upon prominence (order) and emergent content themes. They were then analysed to identify common and uncommon themes across business schools. We then looked for indicative explanatory patterns in the theme distribution based upon the business school characteristics. We also looked for comparison points to the institutional logics from the literature.

Findings

Preliminary findings demonstrate that there is a broad inclusion of citizenship themes, including ethics, social responsibility and the like, in business degree outcomes (Christensen et al., 2007; Thomas et al., 2014). Interestingly, these citizenship outcomes are often more prominent (are presented earlier) than business-specific outcome themes. We perceive that the higher prominence might be due to university attributes being imposed on business schools, as opposed to an inherent importance business schools have placed on citizenship themes. A further interesting finding is that citizenship themes were often presented separately from business themes (e.g. ‘ethical graduates’ and ‘business graduates’, as compared to ‘ethical business graduates’).

Indications are that a ‘responsible management logic’ is being adopted by business schools, including “clear perspectives about corporate social responsibility and leadership” (Thomas
et al., 2014: 306). A responsible management logic is characterised by variations to the market logic or combinations with other logics, by the inclusion of, for example, community, professional, and family logic subsets (Ocasio & Radoynovska, 2016, also see Thornton et al., 2015; Trank & Rynes, 2003).

During the workshop, we look to present further detailed insights of the analysed themes, and comparison to institutional logics. From these we seek feedback as to potential explanations of the identified relationships.

Conclusion

There has been increased attention on business practices, and business schools’ implicit and even enabling of these poor outcomes. As such, business schools have responded with changes to enhance their curriculums and demonstration of standards. However, the negative business practices persist, giving rise to the critique that many of these changes are more image rather than substance. We adopt an institutional logics perspective as a means to investigate and explain the observations. We investigated business school education institutional logics, as demonstrated in the graduate attribute and course outcome statements. Preliminarily findings indicate that responsible citizenship outcomes are adopted across business schools, though not explicitly shared with business knowledge/discipline outcomes. We look to present more detailed outline of the emergent themes, including the relationships with the business school characteristics. With the more detailed findings, we hope to gain valuable feedback on probable explanations for the identified relationships.
References


