

A NEW BUSINESS SCHOOL MODEL: RELEVANCE OF MANAGEMENT EDUCATION IN COLOMBIA

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ABSTRACT

In response to claims for a more relevant business education, we propose a model based on *experiential learning*, *ethics and social responsibility*, and *evidence-based management*. We contrast this model with current undergraduate management education in Colombia, discuss implications and suggest future research venues.

INTRODUCTION

The many recent corporate scandals indicate serious faults in prevailing management practices and raise concerns about the quality of business education (Ghoshal, Bartlett and Moran 1999; Ghoshal and Moran 1996; Moran and Ghoshal 1999). Several authors claim that business curricula are responsible of this crisis (Bennis and O'Toole 2005; DeAngelo, DeAngelo and Zimmerman 2005; Ghoshal 2005; Mintzberg 2004a), mainly because they pay relatively little attention to ethical and social responsibility issues (AACSB International 2008; Economist 2009; Giacalone and Thompson 2006; Horn and Kennedy 2008; Mathieson and Tyler 2008; Moore 2004; Wayne 2009) and because they lack experiential, evidence-laden training (Pfeffer and Fong 2002, 2004; Pfeffer and Sutton 2006). Among other reasons, it has been suggested that constantly competing for the “best” schools’ rankings (Bennis and O'Toole 2005; McGrath 2005; Sanabria 2007) and conceiving management as a theory-centered science (Mintzberg 2004a, b) deviate schools from their mission and result in such faults. We contend that business education should be approached within an integral framework that combines experiential learning, evidence-based management, and an explicit treatment of ethics and Corporate Social Responsibility (CSR). To validate this proposition, we conducted an exploratory documentary analysis of undergraduate management curricula in Colombia, selecting a random sample of 48 of the 228 programs that presented the most recent Higher Education Quality Examination (Examen de Calidad en la Educación Superior, ECAES), a nation-wide standardized examination (ICFES 2011). Our results show that although most schools include ethical or CSR topics in their curricula and offer some kind of practical experience, the relative importance given to these aspects is very low, supporting increasing claims for a more relevant business education. On a second study, currently under way, we will further assess how business curricula address ethics/CSR, experiential learning and evidence-based management, and how this relates with the schools’ relative impact and success measures. Based on our literature review and the results of the first study, we contrast Colombian undergraduate business education with our proposed 3E (experiential-evidence-ethics) model, make inferences about the current state of management education, indicate alternatives to educating managers in a more integral fashion, and suggest venues for future research.

CONCEPTUAL DEVELOPMENT

For more than a decade, several authorized voices have warned us about an imminent crisis in business education (Ghoshal, Bartlett and Moran 1999; Ghoshal and Moran 1996; Moran and Ghoshal 1999). And yet, mainstream scholarly articles and popular business literature have only recently acknowledged the need to revise our practices, and—more significant for the present research—the responsibility that business schools have in promoting such crisis (Bennis and O'Toole 2005; DeAngelo, DeAngelo and Zimmerman 2005; Ghoshal 2005; Mintzberg 2004a). We adhere to these claims and hereby contend that most curricula should be redesigned in order to effectively train managers. In particular, it has been suggested that business schools contribute to the crisis through two widespread practices: paying relatively little attention to ethical and CSR issues in their curricula (AACSB International 2008; Economist 2009; Giacalone and Thompson 2006; Horn and Kennedy 2008; Mathieson and Tyler 2008; Moore 2004; Wayne 2009), and dismissing the evidence-based (Pfeffer and Fong 2002, 2004; Pfeffer and Sutton 2006), hands-on, experiential learning proper of a true profession (Mintzberg 2004a, b).

Antecedents

Some strategy and business authors have argued that the *rankings trap* and considering management as a theory-driven *science* rather than a praxis-centered profession account for the alleged lack of ethics, experience and evidence in business curricula. The former refers to the numerous certification and accreditation processes, and standardized examinations

administered by private or governmental agencies, that often result in pseudo-official rankings that inevitably lead to business schools competing for the top places (Bennis and O'Toole 2005; McGrath 2005; Sanabria 2007). Even if certification/accreditation standards and standardized examinations are guided by righteous motives, such rankings could mislead schools into investing scarce resources in short-term initiatives aimed at improving their rank, instead of using these resources to develop more relevant business programs (Bennis and O'Toole 2005; McGrath 2005). The goodwill and visibility associated with these rankings can not only drive healthy inter-school competition but also influence how school directives conceive their missionary statements. That is, the "Top Ten" goal can conflict with the school's learning goals, distracting faculty from their true teaching responsibilities or even forcing a school to modify its guiding principles. On the other hand, many schools approach business management as a traditional scientific discipline, rather than a profession (Bennis and O'Toole 2005; Gosling and Mintzberg 2006; Mintzberg 2004a, b). Even though a business school's mission should be, in general, one of educating professional managers in the theory *and praxis* of business, it is not unusual that schools establish highly theoretical academic standards for their faculty more appropriate for "hard" sciences such as physics or biology. This lack of disciplinary differentiation is probably due to the scientific rigor expected from faculty themselves in graduate school, which can lead to dismiss the relevance of the managers' day-to-day praxis in favor of academic thoroughness. As a consequence, sometimes even the instructors themselves are unaware of the real world of business, embedded as they are in their concern for the scientific method and academia's "publish or perish" mentality.

Ethics and Corporate Social Responsibility

Despite a hardly disputable fact that business schools should educate honest, responsible managers (AACSB International 2008; Horn and Kennedy 2008; Moore 2004; Wayne 2009), many schools seem reluctant to explicitly address ethics and CSR issues in their curricula (Giacalone and Thompson 2006). Besides the likely scenario that a school that is totally focused on business schools' rankings is prone to dismiss important matters of uncertain long-term benefit—such as ethics and CSR—in favor of short-term results (DeAngelo, DeAngelo and Zimmerman 2005), curriculum leaders are usually accountable for underestimating education in ethics. Some schools, and their faculty, seem to believe that teaching such topics is a waste of time, both for students and teachers, so that it is preferable to use valuable curriculum space for other, more applied subjects. Some authors even suggest that attempting to teach ethics is harmful—rather than helpful—for business students, and that people should be allowed to make ethical decisions based on their own moral and cultural mindsets (Mathieson and Tyler 2008). At the most, some schools compromise and include ethics courses as elective subjects, leaving to the student the decision to enroll in such courses in lieu of some accounting, finance or marketing class. Although some schools do acknowledge that CSR or ethics education adds value to an integral business education, such stance is far from being universally shared or accepted, and the importance of these topics varies greatly across business curricula.

Experience and Evidence

Serious as it is, a reduced emphasis on ethics is made even worse if management education is not grounded on solid empirical evidence and hands-on experience. It is hardly possible for business schools to educate managers of professional quality if schools' priorities are aimed at producing scientifically rigorous scholarly knowledge, often as a trade-off to first-hand exposure to the problems that managers regularly face in their work. In other words, business education will not be relevant if it does not integrate theory and praxis. Unfortunately, excessive academic rigor often results in lack of empirical rigor, which widens the theory-praxis gap. Concerned mainly with theories and conceptual models, business students end up viewing management as a never-ending sequence of theories or techniques which, if applied without the balancing edge of practical experience and hard evidence, are likely to fail (Rigby and Bilodeau 2007). Not surprisingly, some authors have questioned the relevance of many business curricula, and claim for a more experiential learning (Gosling and Mintzberg 2006; Mintzberg 2004a) and a professional education based on hard evidence (Pfeffer and Fong 2002, 2004; Pfeffer and Sutton 2006).

THE 3E MODEL

Because of ethical and practical deficiencies, legions of newly-trained managers dive into the job market lacking adequate leadership skills, ethical values and problem solving competencies to face the increasing challenges of global competition. Good management practices, after all, do not sprout spontaneously, but are rather developed in business schools. We argue that business education can be made more relevant if curricula and schools' missions acknowledge the importance of ethics, experience and evidence. Furthermore, we are convinced that any attempt to do so cannot be approached in a compartmented fashion, but rather in an integral way, much like a firm must be managed integrally to maximize results. That is, business schools should explicitly address ethics and CSR in their curricula; develop these and other subjects by means of experiential, hands-on learning methods; and trust not just theories but also hard evidence when applying management techniques in real-

world contexts. In short, we propose a general model of business education built on ethics and CSR, experiential learning, and evidence-based management (see [Figure 1](#)). This 3E-Model (ethics-experience-evidence) advocates curricula that integrate explicit treatment of ethics and CSR problems in core courses, hands-on experience to prepare students to face real-world challenges, and deliberate collection and analysis of empirical evidence to make business decisions.

(Insert Figure 1 here)

HYPOTHESES

The time has come for business schools to re-evaluate their role in preparing managers for the real world, both technically and ethically, and to assess whether extant curricula and methods are adequate to accomplish this. From our own first-hand knowledge of business education leanings in Colombia, we anticipate that the criticisms made to other countries' schools also apply in ours. Although we have witnessed several valiant efforts to deliver a relevant, grounded education in business, we expect that a closer scrutiny of our business schools will reveal the same problems identified elsewhere. That is,

H1_a: Ethics and social corporate responsibility tend to be absent or underestimated in business curricula.

H1_b: Business schools' curricula tend to be theoretical in nature, lacking practical experience and empirical evidence.

Even if some curricula do include some of the 3E-Model aspects, we contend that if it is not implemented integrally—as we propose—results are suboptimal. Conversely, we anticipate that if a school integrates experiential learning, ethics/CSR, and evidence-based management, it should be more successful. That is,

H2: Business schools' that adhere to the 3E-Model (experience-ethics-evidence) are more successful than schools that do not address these issues integrally.

METHODOLOGY

On a first study, we conducted a documentary analysis to assess the assertion that business schools dismiss ethics/CSR and experiential/evidence-based education (H1_a and H1_b). We contrasted business curricula across a random sample of 48 undergraduate programs, of 228 that presented the most recent ECAES in Business Management, a standardized examination that every undergraduate student must take before graduating, administered by the Colombian Ministry of Education (ICFES 2011). We excluded from the sample alternate campuses, for those schools with more than one site. Besides testing our first hypotheses, this study was a pilot for a more comprehensive study that will include all undergraduate business programs in Colombia, and that will allow us to test our other assertions. We categorized the courses offered in five major areas: *ethics/CSR* (courses in ethics or CSR); *practical internships* (practical experiences required to graduate); *support courses* (math, statistics, communication, religious culture, computer and information technologies, humanities, and liberal arts), *professional courses* (leadership, economics, business core subjects, applied management, marketing, finance, production and logistics, law, human resource management, and entrepreneurship), *professional electives* (concentration courses in professional topics, aimed at developing some specialized emphasis in what is otherwise a generalist education).

(Insert Table 1 here)

[Table 1](#) summarizes the sample's descriptive statistics. In general, obtaining a Bachelor in Science (BS) in business administration or management in Colombia takes between 8 and 11 semesters (mean=9.85, SD=.47), and 81.25% of the programs offer a 10-semester curriculum. The number of courses ranges between 38 and 75 (mean=57.40, SD=8.62). *Support courses* are usually grouped as a basic cycle, during earlier semesters, and represent on average 26.61% of the courses offered (mean=15.27, SD=5.09). *Professional courses* are 59.06% of the typical curriculum (mean=33.90, SD=5.82); of these, financial courses are majority (16.04%), followed by business core (13.71%), applied management (13.46%) and economics (11.86%), highlighting what Colombian programs prioritize in business education. *Professional electives* are usually offered as a diverse portfolio for students to choose from, and they represent 10.96% of the curriculum; electives are usually offered during the later stages in the program, and almost all the programs evaluated (91.67%) offer some electives. *Ethics/CSR* subjects (typically *one* course) represent only 1.63% of the total. Furthermore, not all schools regularly include ethics (only 72.92% do it), and only 12.50% of the sample offer more than one ethics course. Similarly, *practical internship* experiences account for just 1.74% of the curricula, and—surprisingly—not all schools require practical experience (only 79.17% do it). Internships are usually one semester long (although some of them allow extension of this period for up to one additional semester), and just 16.67% of the programs include more than one practical internships in their regular curricula.

DISCUSSION

These preliminary data do seem to restate the contention that both ethics/CSR and practical experiences are in general dismissed or underestimated in business curricula, thus supporting our hypotheses H1_a and H1_b. Our current and future research will further assess these hypotheses, as well as H2, that contends that the 3E-Model is more effective than extant approaches in training good managers. To do that, we will develop a set of process and impact measures that allow us to contrast a school's adherence to our proposed model with the school's performance measured objectively.

It must be noted that these first exploratory findings may have methodological limitations. It is possible, for instance, that ethical and social responsibility matters are addressed transversely across the curricula, rather than explicitly in dedicated courses. Therefore, it could be argued that ethics and CSR are not necessarily taught in classes specifically designed to do so, but rather embedded as an underlying learning goal across other courses, professional or not. Similarly, it could be argued that learning-by-doing can take place in any given class, so that practical internships are not the only opportunities for a student to develop evidence-based management skills via experiential learning. Such will be matter of our continued studies, so that our hypotheses are tested considering not only raw numbers but also the type of delivery methods used and fine-tuned data. That is, our studies will also assess how relevant and context-grounded are the curricula, especially in the later stages of the programs. We will thus evaluate whether Colombian business programs are really lacking ethical, practical, evidence-based experience, as has been suggested that happens in American schools, looking not only look at the inclusion (or not) of ethics and internships in the business curricula, but also at how exactly these topics and experiences are approached and delivered by the school. That is, our following studies will examine whether learning strategies actually contribute to the students' education, by means of a systematic and integrated application of management skills into solving ethical dilemmas in context, with adequate follow-up and feedback, rather than simply having an ethics course or a work experience.

Finally, it should be noted that the imminent crisis announced by several authors during the past decade seems to be a reality. Indeed, business school directives and other practitioners have joined scholarly claims for a more relevant and ethical education in business. Even if it comes as a result of an increasing concern for the recurrent corporate and financial frauds, we welcome the fact that these claims are finally getting some well-deserved attention.

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APPENDIX

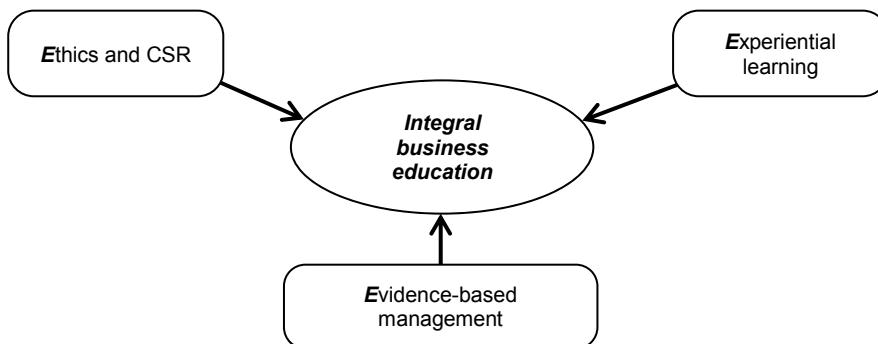


Figure 1. The 3E-Model: A general model of business education.
Source: The authors.

Table 1. Study 1: Descriptive statistics.
Source: The authors.

Statistic	Semesters	Ethics/CSR	Practical	Support	Professional	Pro electives	Total
Proportion of curriculum		1.63%	1.74%	26.61%	59.06%	10.96%	100.00%
Minimum	8	0	0	6	23	0	38
Maximum	11	5	3	30	50	14	75
Mean	9.85	0.94	1.00	15.27	33.90	6.29	57.40
Standard Deviation	0.47	0.89	0.71	5.09	5.82	3.19	8.62
Mode	10	1	1	20	33	8	57
Schools in mode	39	29	30	6	6	10	5
% schools in mode	81.25%	60.42%	62.50%	12.50%	12.50%	20.83%	10.42%
Schools >mode	2	6	8	6	25	10	22
% schools >mode	4.17%	12.50%	16.67%	12.50%	52.08%	20.83%	45.83%

Listwise N=48