

Grasping the Global with One Foot in China: The Rise of Chinese Schools of Management

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Management education in the People's Republic of China has been expanding rapidly ever since the Chinese leadership started opening the country up to the Western world in the 1980s. But it is only in the last decade that some of the schools providing management education have set out to compete internationally with North American and European schools. They implement many changes in order to become part of an international field of schools of management to which the most prestigious schools belong.

This chapter addresses whether such transformations will lead these schools to a higher level of standardization and cause them to converge toward a single model of school.

I argue that the growing international field of schools of management shapes and promotes a particular model of school. However, this 'business school model'¹ has characteristics that allow schools to interpret it differently according to their local situation.

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My observations are based on 12 months of fieldwork undertaken between 2010 and 2013 in three Chinese schools of management located in Guangzhou, Hong Kong and Shanghai.² More than one hundred interviews were conducted with administrative and academic staff as well as students. Data was also collected through observations and locally available documents (internal documents, school publications, etc.).

Based on these three cases, I will analyze how the schools adapted to one feature of the business school model and show how they managed to enter the international field while implementing changes specific to their own local setting.

The chapter will first present the concept of the international field of schools of management and the model that it encompasses, and the three cases for this study. I will then analyze the way these schools are changing in order to encourage international faculty to adopt the business school model.

BECOMING A BUSINESS SCHOOL IN THE INTERNATIONAL FIELD

Since the end of the 1990s, a global social space of schools of management has emerged. An increasing number of schools claim to belong to it, and they adopt changes according to what I shall call the “international field of schools of management.”

THE INTERNATIONAL FIELD OF SCHOOLS OF MANAGEMENT

Strategic Action Fields

Picking up on the work of Fligstein and McAdam (2012), I argue that schools of management worldwide are more and more embedded in a strategic action field:

A strategic action field is a constructed mesolevel social order in which actors (who can be individual or collective) are attuned to and interact with one another on the basis of shared (which is not to say consensual) understandings about the purpose of the field, relationships to others in the field (including who has power and why), and the rules governing legitimate action in the field. A stable field is one in which the main

actors are able to reproduce themselves and the field over a fairly long period of time. (ibid., p. 9).

This definition is based on several studies dealing with the emergence, stability and transformation of social spaces in which actors compete for symbolic or material resources. In the studies, organizational theory focuses on the rise and spread of organizations and the role of the state and specific actors in their environment (Scott 1995). Economic sociology has analyzed markets as social constructions and investigated the role of the state and enterprises in this process. It has also looked at how the construction of social hierarchies determines market value in a designated field (Fligstein 2001; Garcia-Parpet 2009). The sociology of science also refers to the concept of fields in order to understand the social conditions surrounding the production of science.³

Fligstein and McAdam (2012) rely on several general works theorizing stability and change in the dynamic of fields. The work of DiMaggio and Powell defines organizational fields as organizational aggregates focused on change at the organizational level (DiMaggio and Powell 1983; Powell and DiMaggio 1991). Taking another perspective, the work of Bourdieu (1984, 1989) encompasses the concept of field in a general framework of capital distribution and domination relationships in a social space. These works embrace neither macro-level field dynamics and implications of change beyond the level of meso-level fields, nor the relation between different levels of fields.

I turn to the concept of the strategic action field developed by Fligstein and McAdam (2012) in order to capture both the micro-dynamics of actors as well as a broader perspective explaining the links between embedded fields and their implication for change at a macro-level.

Many studies on schools of management and business education rely on the concept of field. Pavis (2003) analyzes business education as embedded in economic and academic fields. Accreditation agencies are regarded as fostering the emergence of fields for business education in the United Kingdom and Canada (Bell and Taylor 2005; McKee et al. 2005). In Europe, Hedmo et al. (2006) refer to the construction of an organizational field for business education through the combination of state regulation and the actions of accreditation agencies. All these frameworks legitimize this concept for the study of schools of management. However, they do not extend the concept at an international level, which is now the pertinent level for understanding the transformations occurring in the schools.

Schools between Two Fields

I argue that schools of management seek to obtain a position in a strategic action field: the international field of schools of management. It relies on a shared understanding of what is a good school of management that I have called the business school model. This field emerged in the late 1990s and contains many local strategic action fields, most of them based on national borders.

Some countries may have several local fields of schools of management. For instance, the French dual system of higher education contains a field for *grandes écoles* and for university-based schools. As will be shown later, there are three local fields in the People's Republic of China (see Section "Three Chinese Schools in Local Fields"). Schools of management are historically located in one local field and more recently have begun seeking a place in the international field.

Membership of a field is not based on objective criteria. Schools can be very different but still claim to be part of the international field using adaptation and communication strategies. To give credit to their claim, they carefully look at what other schools in the world – especially those in the United States – are doing and adapt their own actions accordingly. Although they struggle for a spot in the international field, they do not cut the ties with their local field, preserving any benefits they may have at this level (Kodeih and Greenwood 2014; Soulas and Blanchard 2017). As a result, all the schools in the international field are integrated on two levels.

The international field of schools of management is currently stable. There were two phenomena that drove schools at this level and prompted emergence of the field in the late 1990s. First, the reduction of public funding in higher education encouraged many institutions to seek resources at international level. The example of British universities increasing their recruitment of full-fee-paying foreign students in order to compensate for the cut in public funding illustrates the link between national reforms and the move of higher education institutions toward an international dynamic (Soulas 2010, pp. 665–668). Second, the development of new forms of judgment coupled with new evaluation instruments has fostered comparison among schools worldwide. In local fields, the value of schools based on contextual reputation is now challenged by the emergence of what Paradeise and Thoenig (2013) call "excellence judgments," which do not require the mediation of local or

national social networks to assess quality. International rankings serve as instruments to measure “excellence” and compare schools embedded in different local contexts.

The international field is regulated by what Fligstein and McAdam (2012) call “internal governance units”: organizations or associations within the field whose sole job it is to ensure the routine stability and order of the strategic action field (*ibid.*, p. 77). Despite the claimed impartiality of their actions, they are not neutral judges but enforce the dominant perspective in the field (*ibid.*, pp. 13–14). Accreditation agencies and ranking bodies are the two governance units of the international field of schools of management. Of the first, three agencies worldwide have been considered important since 1997 (Cret 2007): AACSB (Association to Advance Collegiate Schools of Business), EQUIS (European Quality Improvement System) and AMBA (Association of MBAs).⁴ The international ranking of schools is dominated by one body, the *Financial Times*, and its highly influential “Global MBA Ranking” (Kwon and Easton 2010).

THE BUSINESS SCHOOL MODEL

The international field of schools of management fosters a set of ideas about what a school should be. The business school model⁵ is a shared understanding among members of that field of what makes a “good” school of management. Contrary to what actors usually imply, the business school model is not based on a precise definition. It exists through prescriptions – or scripts – that circulate in the international field, especially through the activity of the internal governance units.

The concept of scripts initially suggested by Meyer and Rowan (1977) is adapted by Musselin (2008, p. 15) for the study of the international market for higher education. She defines the scripts as “normative prescriptions that circulate in the institutional environment of schools and universities, and formulate legitimate propositions, norms, and standards, that these institutions should adopt in order to appear rational and efficient.” Despite the lack of a real consensus among actors on what defines a business school, these scripts are sufficiently prescriptive to create a shared understanding and sufficiently broad to translate into very different contexts.

Three International Scripts

The business school model is defined by three scripts: the delivery of MBA programs, a strong academic emphasis, and the international scope of the school.

The Master of Business Administration (MBA) is a management training program for people with working experience that combines theoretical learning and real-life practice. It is often taught through case studies. Based on the MBA format, schools have also created derived programs for specific kinds of professionals, the most popular being the Executive MBA (EMBA), designed for people with greater experience and responsibility. Offering an MBA has become mandatory to ensure the legitimacy of a school of management in the international field. As explained by Moon and Min Wotipka (2006, p. 125), “Increasing proportion of discourse related to professional management education in academic and popular publications universally treated the MBA as if the MBA were the only form of professional management education.”

Since the late 1960s, schools of management have started to seek legitimacy through the academization of their activities. The reports of the Ford and Carnegie foundations,⁶ calling for management teaching to be anchored in academic disciplines such as mathematics and statistics, boosted this shift toward stronger research activity in these institutions. This second script encourages heavy investment of resources – financial and human – in research activities and the production of knowledge. It has several dimensions, including the production of research outputs, the creation of research centers, and the opening of doctoral programs within the schools.

Management has a history of exportation from the United States to Europe (Djelic 2001) but also to Asia. In the latter regions, the value of internationalization is related to the historical idea that schools should align themselves with the best practices abroad, mostly those from the United States. Worldwide there is also a discourse that pushes schools to train professionals for a globalized economic labor market. As Mintzberg (2005, p. 201) explains, the words “international” and “global” are now central to the strategy and discourse of the schools of management. The scope of this script relates to the teaching and student body; programs and diplomas; exchange partner schools; and the language of instruction, among others. The recruitment of international professors considered in

the second part of this paper is an important element of this script because of the history of the schools and the governance of the field. At the end of the 1960s, many schools in Europe sent their professors to the United States for training at a foreign university (Chessel and Pavis 2001; Puig and Fernández 2003). In the same way, the very first Chinese schools of management used international cooperation in order to import the best practices from the West. As a credential for teaching and research at higher standards, it is recognized by the *Financial Times* as a criterion for its MBA ranking. Other criteria are furthermore derived from it, such as research rank based on international publications.

The three scripts (MBA, research, and international) together define on a global scale what a good school of management should be. However, they can vary over time and leave sufficient room for interpretation by local actors.

The Model and Governance of the Field

In the international field of schools of management, the internal governance units promote the business school model through their accreditation and ranking activities. In the field, according to Fligstein and McAdam (2012), schools considered as incumbents are accredited and highly ranked.

Accreditation agencies deliver a label that enables institutions to be part of “an elite club” (Bell and Taylor 2005). Their action is not a posteriori, because their work relies on a great deal of auditing in order for schools to gain accreditation. Initially used as a tool for distinction, accreditation is now mandatory if schools want to enjoy a minimum of status in the international field. By assessing the teaching body, research activities and international scope, these agencies evaluate and circulate the scripts of the business school model.

Every school ranking “simultaneously unifies and distinguishes the objects that it encompasses or evaluates” (Espeland and Sauder 2007, p. 19). The *Financial Times* Global MBA Ranking unifies schools of management worldwide using a common measure and creates a hierarchy by giving them a relative rank. The three scripts of the business school model are reflected in this hierarchy. Indeed, it is assessment of MBA programs that gives value to a school as a whole. Furthermore, it contains several criteria for the measurement of research activity and internationalization of the schools.⁷

THREE CHINESE SCHOOLS IN LOCAL FIELDS

Business education in China dates back to the early twentieth-century Western missionary colleges. With the founding of the People's Republic of China (PRC) in 1949, these mainland colleges went into exile in Hong Kong. They developed in the British colony, and new schools were established on the mainland after it opened up in the late 1970s. There, schools opened as university faculties but also as dedicated training centers.⁸

As a consequence of history, there are three local fields of schools of management in China. Two of them correspond to faculties in the university systems of Hong Kong and mainland China. The other is a field of independent graduate schools derived from the mainland training centers that opened in the early 1980s.

Three Local Fields of Schools of Management in China

There are two higher education systems in China. Hong Kong has been part of the PRC since its retrocession in 1997. However, following the "one country, two systems" principle, Hong Kong local government has its own higher education policy. Management education was developed within this university system.

The first MBA was offered in the 1960s with the opening of the Hong Kong National University. This university opened the first faculty of business administration in the colony. Several other faculties followed in the 1990s as the number of public universities expanded. There are currently eight public universities with schools of management under local regulation. Three of them are among the best schools in the world, accredited and ranked among the top 100.

There is a separate higher education system on the mainland, where universities opened their first schools of management in the 1980s. Under the PRC Ministry of Education, they comply with the regulations inherited from the communist system of public universities. Seven of them launched the first mainland universities MBA in 1991. According to various estimations, there are now more than one hundred university-based schools of management in mainland China. Absent from the international field in the early 2000s, they now have three that are among the best business schools in the world according to the *Financial Times*.

The first MBA in mainland China was not offered by a university but by a training center separate from the educational system. In the 1980s, the

government signed several cooperation agreements with foreign countries and opened joint ventures in which thousands of Chinese were trained for the market economy (Warner 1987). A decade later, one of these centers became a professional school, and other independent graduate schools recently opened based on this experience. Currently, at least three of them teach professionals and are under the regulation of the Ministry of Commerce.

Management Training for a New and Future Elite

Management education in China has developed in the recent past. Contrary to the experience in many Western countries, the established elites did not receive this kind of training. The opening of China in the 1980s created a new elite based on personal enrichment and rejecting the Maoist definition of social status and values (Bergère 1984). These people did not receive any management training because many of them had no access to higher education, which was almost stopped during the Cultural Revolution (1966–1976). However, this new elite is now wealthy and has reached a high management level with a low level of higher education. Its members are now joining the executive programs of the local schools of management in order to certify their social status. They give a great deal of prestige to the schools of management that can count them as students and part of their alumni network.

This return to school of many new elites, combined with the ideological context of personal enrichment, gave the schools of management a key role in the quest for social ascension by offering both academic credentials and a strong personal network. Young Chinese are therefore attracted by these schools of management, which now have the most selective undergraduate programs in Chinese universities. With the rise in unemployment figures among university graduates, being accepted onto a management program and into a prestigious institution are the two keys the new generation of Chinese choose to preserve or acquire elite status.

Three Schools of Management Importing the MBA

To analyze the position of Chinese schools of management in the international field, this chapter looks at three cases from each local field.

HKNU Business School is a faculty of business administration in a public university of Hong Kong. Its MBA is the oldest in China, ranked

among the top 100, and the school has one accreditation. The program was created in the 1960s, managed by US professors invited to HKNU, and supported by two US foundations. These foreign professors imported the MBA format and its teaching methods. In the 1970s they started building a local teaching body to perpetuate the program. They recruited many US-trained Chinese professors, who now account for the majority of the academic staff.

Nanzhu College is a faculty in the most prestigious university in South China. Its MBA does not appear in the world ranking, but it is in the mainland China top 10, and the school has recently obtained two accreditations. The program was opened jointly in 1998 with the School of Management of the Massachusetts Institute of Technology (MIT). Since then, US professors have come to Guangzhou to teach, and local professors train at the MIT. Through this cooperation, the school imported the MBA format and all the teaching and administration skills related to the program.

Asia Business School (ABS) is a non-university school that only offers professional training programs. Its MBA is ranked as the best in mainland China and it has two accreditations. The school was created on the basis of a management program opened in 1984 in a joint venture hosting European visiting professors to teach local cadres. Established as a school a decade later, the entire teaching body was initially imported and has been replaced progressively by US-trained Chinese professors.

These three schools imported the MBA program and rebuilt it locally under three different kinds of regulations. For instance, first-year students at Nanzhu College are recruited through the national university entrance examination for mainland universities⁹ and at HKNU Business School through the local university examination system, while ABS does not recruit freshmen students. Because of their differences, these schools were not usually compared to each other. Until the end of the 1990s, the environment they used to consider was that of their local field.

I argue that Chinese schools of management grew up within a local field and are currently projecting themselves into the international one. In the process, they adopt the business school model and adapt it locally. Far from standardizing the schools, this quest for global legitimacy creates a variety of practices in Chinese schools. For the sake of empirical demonstration, I will present one transformation toward the business school model in the three cases: the internationalization of the faculty of the schools.

Local Arrangements for International Faculty

The business school model is built on a myth of a global market in which professors circulate between schools around the world. These institutions are supposed to recruit the best professors by formulating the best job offers. With this model in mind, school leaders have tried to overcome local constraints in order to be “competitive” and recruit what they refer to as international permanent faculty.

Because of China’s history of importation from the West and a distrust of Chinese quality in higher education, the schools of management use international faculty in order to claim elite status. Professors are believed to be better trained abroad, and only the institutions with greater resources are able to attract them. The national policy for higher education legitimates this vision by constantly financing expensive programs that foster the return of Chinese academics trained abroad to its universities.¹⁰

CHINESE ROUTES TOWARD INTERNATIONAL SALARIES

In two of the local fields, the main constraints are related to the university salary grids for professors considered to be public servants. In the non-university school the pay is not an issue, but the school does have to formulate specific job offers in order to recruit international faculty.

Creating a Dual Salary System

In mainland universities, professors are public servants paid by the state. In 2010, the monthly salary paid by the university for full professors was around 10,000 RMB (approximately €1250). This salary is supplemented by an allocation paid by the relevant faculty or school in the university. Depending on the resources of the schools within the university, the salary can be adjusted. Nevertheless, this fixed salary is not generally the main source of income for professors, who have many variable incomes based on their research and teaching activities (and also on their work outside the university). Their income structure is presented in [Table 10.1](#).

This income structure, made up of a low salary and many variable incomes, gives professors a decent revenue. However, the system is very

Table 10.1 Income structures for mainland university professors

<i>Paid by the university</i>		<i>Paid by the faculty or school</i>		
<i>Fixed incomes</i>		<i>Variable incomes</i>		<i>Low incomes</i>
Basic Salary	Allocation	Course Remuneration	Rewards (Research)	Complementary Compensations

Note: This table does not include incomes for activities outside the university

far removed from international payment norms, where the fixed salary is high and accounts for the main source of income. Hence, the school cannot attract young doctors or professors based in the West. The solution found at Nanzhu College was to introduce a dual salary system. The school started to offer high salaries with no variable incomes. The fixed university salary remains very low, but the school uses its own resources to pay a very high allocation in order to offer a salary that is closer to international norms. This practice was introduced in other mainland schools aspiring to be part of the international field, and their new recruits are often compensated according to this system.

In Chinese schools of management, especially among the top 10, or at least the first 20, a differentiated salary system is set up, a dual salary system, one called “domestic” and one called “international”. If you take all the associate professors, there are those graduated in China and those graduated in the US: their salary is not the same. [...] That is a policy of the school itself, especially the best ones, the 20 best schools of management in China, almost all have set up these policies to attract foreign PhDs.

(Hu Jiashi, full professor at Nanzhu College, 2012)

Nanzhu College uses its resources to come closer to international salary norms and recruit professors who correspond to the business school model. It is able to finance these salaries thanks to the revenues generated by its professional programs (MBA, EMBA and other customer-tailored programs), allowing the school to free itself from the local salary grids. It is likely that this locally constructed “international salary system” will expand among other schools in China along with their willingness to become business schools.

Negotiating a Secret Salary

Hong Kong universities have similar constraints related to salary grids. For many years, the pay was still internationally competitive, but in the early 2000s professors at HKNU Business School realized they could not recruit at the international level with the local salaries.

In Hong Kong, the university receives public funding and pays its professors according to the public servant salary grids. The faculties and schools do not handle the pay for professors; therefore any change has to be negotiated at university level. Having long had no voice in the university leadership, the school's first opportunity to have its interests represented at a higher level came in 2000, when a professor reached the presidency board. She now serves as a "bridge" to convey the interests of the school.

The solution they found was for the university to pay a higher salary to professors in the school of management. This was possible because of the revenue that the HKNU Business School generates for the university, but it could only be implemented in secrecy: the inequality is accepted because most people do not know about it, as a high-level university administrator explains:

— How is this [difference in salary] accepted by the other faculties?

— We have a lot of tricks to do that. [laughs] It is very simple. As long as how much you pay for professors in the faculty of business administration, this piece of information, is not known to people in the other faculties, it will work. [...] Even among professors within the same department. Say we are both professors in the marketing department, our salaries could be different. How can they do that? Very simple: if salary is a confidential piece of information, then... [claps hands as sign of accomplishment].

(Rebecca Tse, full professor at HKNU Business School, 2012)

The school used its "breadwinner" position within the university in order to obtain special treatment for appointing professors. The higher salary is only implemented for new recruitments; many professors therefore ignore this unequal treatment and assume that "salaries are more or less the same" throughout the university. The school of management now has the salary tools to attract international faculty in order to be a business school, but most people in the university are unaware of the price they pay for this effort.

Buying Professors with Time

As a school that is not part of a university system, Asia Business School (ABS) does not have many constraints. In fact, the school only offers expensive professional programs, which makes it financially autonomous. ABS therefore simultaneously enjoys good resources and a lot of freedom in its salary levels. The school built its reputation on “star” staff, hence it specifically targets senior international professors. However, highly recognized professors in the international field do not usually want to live in China, even on a very high salary. In order to recruit these people, the school arranges ad hoc job offers.

The school uses its independence in making appointments to adapt positions to individual demands. A professor involved in the recruitment process explained that job offers are very flexible because “these people have a certain amount of bargaining power”.

Negotiations are undertaken by the dean personally, who often has to cede presence time in the school. A recently appointed full professor at ABS negotiated his mandatory presence in China. He has a very high profile at a well-known Western school and explained the reason behind and negotiation of his part-time presence in Shanghai:

— [My wife] is not here anyway. She lives in [Europe]. So I just come here for a couple of weeks every other month. [...] I spend about 60 days a year here.

— And how did you negotiate that? Did you say to [the dean] “I have this . . .”?

— Yes. It took some negotiating but . . . I don’t want to live in China, this is the most I can do. So it was an individual negotiation, and they were fairly flexible about it. [...]

— So . . . The 60 days, that was your original request or did you have to extend it?

— No I had to extend it, I asked for fewer days than that . . . [smiling].

(Anthony Lee, full professor at ABS, 2013)

It is hard for a very young school in China to attract a professor from a long-standing Western institution. But the flexible management at ABS allows it to recruit full-time faculty who do not have full-time presence. That is the price it is willing to pay to be a business school.

Each of the three schools has its own method in its quest for international faculty. They do not turn to the same solution to make them look and behave the same: they take advantage of their own resources to overcome whatever restrains them in their local field.

PLAYING WITH THE IMPERFECTION OF THE GLOBAL MARKET

The previous testimony reveals another issue in recruiting professors. An appointment is not just the result of a good job offer. Many social constructs can help or hinder an individual's choice, especially because, from their point of view, China is a special place.

The "home bias"

Depending on who you are, accepting a work position in China can either be considered as moving away from or returning to your homeland. This aspect is very strong in the case of China. Westerners consider China a very exotic place, but it also attracts Chinese that have settled abroad.

In Hong Kong, considered to be a very cosmopolitan city, a former department chair explained the influence of what he calls "home bias" in the attractiveness of its school of management:

— In the business schools they always say "We are competing at a global scale"[...]

— It's a global market, yes.

— [...] So do you really think that Hong Kong National University can recruit from all over the world, and institutions all over the world can recruit professors from this school?

— It's true, it's not really a global market because people have a strong – if you like – home bias. So most people from Europe, most people from North America, will not think about coming to Hong Kong, Singapore, or other parts of Asia, because of family attachments, because of cultural differences... Even if we pay a big premium, we sometimes find that we might be able to draw someone in, and then they might decide very close to the end of the negotiation to pull out for family or other localized reasons. The same thing applies to our professors if they want to go somewhere else. Even if there's a big premium in salary, it has to be very significant to draw them away from this part of the world.

(Edward Black, full professor at HKNU Business School, 2012)

Many career paths confirm this statement. Westerners usually do not want to commit to a Chinese school because it moves them away from their family or because they find it difficult to adapt to the place. The global salary that each Chinese school manages to come up with may not be

sufficient to get the international faculty they ideally want. The definition of international faculty therefore becomes the one that corresponds to the professors they are able to get.

From that perspective, the salaries they can offer are attractive to many overseas Chinese. Most of the foreign-trained Chinese I met mentioned a desire to return as important to their choice of a position in China. From the spiritual need to come back, to the sick mother at home, there are multiple local reasons that would have the opposite effect on Westerners. One Chinese full professor explained several times the importance of the food: “I did not want to go back to the US. The reason... You won’t believe this. The reason is the food in Hong Kong was so good [slight laugh].” The return of the diaspora was a godsend for Hong Kong’s schools of management in the 1990s, especially because political tensions and academic working conditions in mainland schools were scaring off many overseas Chinese. Since the 2000s, the mainland has been growing more and more attractive, with non-university schools at the forefront in terms of the flexibility of their job offers. As a high-level administrator at ABS explained, “Because everybody wants to come back to China, the market is, you know,... you get good people even for not so much money basically.” University-based mainland schools that are becoming business schools also benefit from this dynamic on a large scale. If ABS would never recruit a professor with a Chinese PhD, it is also becoming less and less likely at Nanzhu College.

Local Definition of “International Faculty”

I have not defined what I consider “international faculty.” The reason is that, as part of a script of the business school model, it is not precisely defined. In other words, every school defines it in its own way.

At Nanzhu College, a brief look at permanent faculty shows only ethnic Chinese with mainland names.¹¹ However, the college is proud of its international professors because their definition has nothing to do with nationality or ethnicity. It is based solely on foreign training. Most of the professors graduated from a mainland Chinese university, but those who have a PhD from overseas are classed as the international professors, even if their qualification is from Hong Kong, because as one administrator put it, “we consider

Hong Kong as overseas.” The trend in the school is toward more international recruitment based on this definition.

At ABS, the school has had a high number of Western foreigners coming to teach since its early days. However, the school struggles to stabilize a professoral body who often manages a full-time position with only part-time presence. The consequence is that many new recruits are overseas Chinese who have a degree and a career in the West and are willing to commit to the place. An European full-time professor at the school explained the rise of Chinese people to executive positions in the school: “The Chinese want to control the deal [...] little by little I think they are placing their own pawns.” Indeed, the main executive responsibilities in the school are now held by these overseas-trained Chinese. But in the same way as this foreign professor spends 60 days a year at the school, many Westerners want to limit their physical presence in Shanghai, hence leaving room for Chinese people returning to China. This need for local commitment redefines what international faculty at ABS means:

From the outside it looks like: “Oh, they’re all Chinese people in there,” but if you look at their background, then they are quite international. They have lived abroad, they have studied abroad. So in that sense I think we are definitely more international than all the other schools.

(Alexander Mooney, high level administrator at ABS, 2013)

Located in the former British colony, HKNU Business School has historical ties with the West, yet Hong Kong is still exotic for non-Chinese professors. Hence, even though the school is trying to recruit Western professors, their numbers are declining among the total number of staff. This trend in appointments is apparent in [Table 10.2](#), which shows the change in the geographical origin of the permanent faculty during the last two decades.¹²

The last 20 years show a decline in the proportion of Westerners and a rise in that of people from mainland China. This reflects the evolution of the pool of candidates for positions. More and more mainland Chinese earn a PhD in the West and return to China looking for a position. By the same token, recruiters are finding fewer and fewer Westerners who meet their requirements. Interestingly, these requirements also tend to place

Table 10.2 Faculty profile at HKNU Business School by shares of geographical origin

<i>Population (n)</i>	1992	2000	2012
	36	87	109
Mainland China	–	15	38
Hong Kong	28	38	42
Overseas Chinese	25	20	6
Taiwan	8	11	5
Other Asia	8	8	4
Western countries	31	8	6
	100%	100%	100%

Note: The two highest % are in bold number

ethnic Chinese as good candidates. Because of the specific nature of life in Hong Kong, recruiters are increasingly turning to people who have a potential commitment to the place. This US professor explains the school's thinking behind his appointment:

— I think because I showed some commitment to Hong Kong. I mean I had lived here before and I speak, continue to try to speak [slight laugh], the local dialect, and I've learned some other Chinese a little bit. It was more of a commitment. So I wasn't here just for three years or five years. I mean I was prepared to stay a lot longer, which I have.

— Was that important to your appointment?

— Well, I think for new faculty, and especially younger faculty, I think that... Yes, I think they probably want somebody who's committed to the place and also knows about Hong Kong and maybe won't want to leave after two years, because then you run into the inevitable problems of living in a place that's really a lot different in many ways than North America.

(George Wart, full professor at HKNU Business School, 2012)

The search for a commitment to the school means that there are fewer and fewer Western professors, and mainland Chinese account for most of the new appointments. "International faculty" in the school is a matter of PhD degree. Hence someone who has a Master's degree from a mainland university and a PhD from the United States will still count as "international."

In the international field, even when they hold a Chinese passport, professors are still acknowledged as international, mostly because of their

capacity to publish in journals considered international by the internal governance units in the field. Foreign nationality of professors accounts for 4 percent of the *Financial Times* MBA ranking, but the weight of international publications accounts for 10 percent of the ranking score. Hence foreign-trained professors are recruited because of the promise they hold for the business school model, beyond the nationality criteria. These foreign-trained Chinese are a useful resource, because their research potential improves the school's profile with respect to one of the scripts of this model (investment in research). Furthermore, they help the schools to stay locally relevant with teachers and researchers who know and study Chinese business.

Chinese schools of management are therefore becoming increasingly international in terms of faculty, even if local constraints mean there are fewer foreigners in these schools. They are taking advantage of the diaspora and the growing number of Chinese graduates to turn to this model by redefining locally the script of internationalization.

CONCLUSION

Strategic action fields have captured current dynamics in the development of management education. Most research acknowledges the changes taking place at the international level and the importance of rankings and accreditation in this process. However, the concept of internal governance units enables us to understand both the role of these bodies and their impact in a lower-level strategic action field. It helps us to understand that the global field is a social order fostering a model of school that coexists with the rules of the local fields. The positioning of the schools is a game between the prescriptions of these two levels.

The analysis of how Chinese schools of management turn to the business school model invites rethinking of the idea of a global market and its standardizing norms. As I explained with the example of the quest for international faculty, every school comes up with a solution that is adapted to its local field. This solution redefines locally the scripts of the international field that allow the schools to grasp the global with one foot in China. Adaptation in this way reveals the plasticity of the model and the capacity of organizations to redefine global standards locally. The variety of practices shows that these schools act as "local orders" that "ensure behavior regulation and the integration of divergent strategies, if not contentious, of the actors concerned" (Friedberg 1993, p. 187). Schools

of management operating as local orders redefine global standards preserving organizational diversity (Paradeise and Thoenig 2013), but they can also turn around or even elude the scripts of the business school model. Each of them built up a very specific teaching body, but all can claim to have “international faculty” and hence be considered as *business schools* by other schools in the international field.

NOTES

1. In this chapter, I will use the term “school of management” to designate the schools as an empirical reality and differentiate them from the “business school model.” Schools of management can be independent schools (such as many French *grandes écoles*) or university-based schools (such as the major schools of management in the United States).
2. This work was undertaken for my doctoral thesis in sociology at Université Paris-Est Marne-La-Vallée as part of the ANR PrestEnce. The names of the institutions and the people interviewed for this research have been changed.
3. For an overview, see Gingras (2015).
4. Association to Advance Collegiate Schools of Business (AACSB) is an association of institutions based in the US that delivers an eponymous label to schools. The EQUIS accreditation is delivered by a European association: the European Foundation for Management Development (EFMD). Unlike the other two, the AMBA accreditation targets the MBA programs and not the schools. It is administrated by the British Association of MBAs.
5. Initially formulated for the analysis of Chinese schools (Soulas 2013), this model is built to elucidate the transformation of all schools of management and facilitate analysis between countries (Soulas and Blanchard 2017).
6. The reports commissioned by the Carnegie and Ford foundations respectively are: F.C. Pierson, *The Education of American Businessmen: A Study of University-College Programs in Business Administration*, New York, McGraw-Hill, 1959; R.A. Gordon and J.E. Howell, *Higher Education for Business*, New York, Columbia University Press, 1959.
7. The ranking is based on 18 criteria that determine the score of a given school. Half of the criteria are directly related to the assessment of research emphasis or internationalization, accounting for 40 percent of the total score.
8. I present the history of management education in China in detail in the first two chapters of my doctoral thesis “Business schools made in China. L’émérgence des écoles de gestion chinoises” (2016).
9. The *gaokao* (高考) is the national university entrance examination inherited from the imperial examination tradition. Considered the most extensive

- exam in the world, it attracts around 10 million applicants every year in mainland China.
10. Two of the famous programs are the “100 people program” of the Academy of Science in 1994 (百人计划, *bairren jihua*) and the “1000 people program” of the Ministry of Education and the Communist Party in 2008 (千人计划, *qianren jihua*).
 11. Because of the reform of the phonetic writing of Chinese language on the mainland in the 1950s, it is possible to distinguish people from the mainland because their name in letters uses the *pinyin* transcription.
 12. This data was obtained with the names and the university background available in the faculty profiles published by the school. I used the name to distinguish the mainland Chinese from the overseas Chinese (see previous note). The distinction between Hong Kong and Taiwan is based on undergraduate background. “Overseas Chinese” groups together all Chinese whose entire tertiary education was not in a Chinese location (mainland, Hong Kong or Taiwan).

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