Business Education: the Challenge of Relevance and Value Creation

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Today there is plenty of good news for the providers of business education. Business education now has a dominant position in many educational institutions globally. In the USA undergraduate business degrees grew from 14% of all degrees granted in 1971 to 20% in 2003. The numbers were 18% and 23% for MBAs and Masters programs for the same period (Friga, Bettis and Sullivan 2003). In Australia business and commerce degrees constitute the most popular field of education for award course students in 2005 constituting almost 30% of all higher education courses taught (ABS Year Book Australia, 2007). “Students and business people from around the world continue to flock to business schools” (Lorenzi 2004). The demand is predicted to continue (Friga et al 2003).

However, to profit from this good news there are challenges to be met. In Australia the Government has responded to this increase in demand by reducing its funding of the accounting, administration, economics and commerce cluster of disciplines and adjusting for maximum student contributions in this grouping. Student contribution rates are based on the potential earnings of the graduates, informed by Government analysis of “the higher salaries and the competitive nature of the labour market for the business disciplines” (Parliamentary Library, 2007). It can be anticipated that increasing student contributions will raise expectations for employment outcomes and will influence student expectations concerning the quality and relevance of their business education.

In addition, increasing demand for a business education has contributed to increasing competition amongst business schools and this, in turn, is challenging the epistemology and ontology of this nascent discipline. There is also increasing tension between stakeholders concerning priorities, goals and objectives, as the pressure mounts to apply business knowledge more quickly and effectively to achieve competitive edge in the business world.

Given these pressures on the knowledge content of business education and its application in a global knowledge economy, some commentators have forecast the end of the university as a central agent in knowledge production. In 1997 Peter Drucker forecast that “thirty years from now the big university campuses will be relics. Universities won't survive”. Friga, Bettis and Sullivan (2003) noted that

“Business Schools, one of the areas of greatest growth in universities over the past 50 years are not isolated from the pressures for change affecting universities in general. Given the relationship between management education and the business world, market forces such as globalisation, technological change and new workplace requirements may affect business education more than any other branch of academia. And the stakes are high (p.233).

In addition the recent global concern with sustainable business practice and development provides a new and urgent dimension for business education, challenging the purpose of business in society, its rules of engagement with society and even the basic theoretical
premises underpinning key business disciplines. For example the community is questioning increasingly certain traditional economic premises regarding negative spill-over effects of resource usage by business.

In other words, the very basis of knowledge production and its application in the business discipline is being monitored, evaluated and contested by many stakeholders. From what perspectives are they doing this and what are the implications for us as business educators?

Friga et al (2003) provide a useful framework to analyse the business management function. They use the business value chain and its three main functions of creation, assimilation and distribution of knowledge. They note that the business value chain has shifted from a corporate based, to a faculty based, to a student based model over the last 70 or so years. The current environment is characterised by modular units of study, mixed faculty, digital libraries, global markets driven by internet proliferation, and a knowledge revolution. A cursory review of elements of the value proposition of business education from the perspective of our practice here at Swinburne University of Technology, Lilydale will illustrate how we are responding to environmental pressures and shifts. I will pick up on Friga et al’s (2003) comments on the business education value chain as being student-centred, particularly regarding how this objective manifests itself in the mission and values of this faculty, and the consequences for partnership with CUMT.

I’ll approach this issue by briefly reviewing four key areas. First, the tensions that have operated historically within business education and the business discipline, noting how these tendencies are being exacerbated by discernible business trends. Second, I’ll note the concomitant impact on stakeholders of business education (with a view to comparing these across our two institutions). Third, I’ll reflect briefly as to how we are responding to these challenges in relation to aspects of curriculum, pedagogy and research. And fourth, I’ll draw on these issues to explore opportunities for partnership between our two organisations in relation to teaching, learning and research, with a particular focus on the nature and alignment of our respective graduate attributes and their relevance in our individual national settings.

TENSIONS IN BUSINESS EDUCATION IN A COMPLEX AND RAPIDLY CHANGING GLOBAL ENVIRONMENT

Tensions around a nascent discipline

New disciplines are often characterised by the emergence of different schools of thought. Business education draws from many nascent disciplines within the social sciences, and in so doing it has to determine the contextual and integrated relevance of these disciplines for business. The unique impact of context at a business level applies to institutional structure, legitimate public and private roles, strategy and direction, operational processes and outcomes, stakeholder interests and influences, market conditions and responses to business activity, legislation and regulation, etc.

The tensions concerning the theoretical and applied functions of business education have been vigorously debated since the 1950s. Initially the tensions were not dissimilar to those in other applied disciplines. For example, Gordon and Howell (1959) noted that the dual purpose of business education was “to train men … [and presumably women] … for the practice of management (or some special branch of management) as a profession … [as well as] … to improv[e] the operation of business.” The evolution of business education in a global knowledge economy has required the business discipline to monitor, incorporate and align shifts in professional standards across all business functions in order to make sense of their application in rapidly shifting national, regional and global business environments.
Hughes (2006) is suggesting that business education has not responded to this enormous change in the business function and that a paradigm shift is needed similar to that experienced in the physical sciences. The new paradigm needs to incorporate the perceptions and changing culture of the observer and/or practitioner, rather than entrench a set of traditional models and frameworks that reflect a prior age, thereby failing to inform current practice. He notes that the reluctance to shift entrenched paradigms is preventing business education from addressing (at a theoretical and practical level) the challenge for businesses to “increasingly function as nodes in vast knowledge networks” (2006 p. 88). He argues further that this is an historical legacy of the strong criticism experienced by business schools in the 1950s for being too descriptive and lacking analytical focus. They responded by embracing mathematical and statistical approaches to business research, a practice that has become increasingly irrelevant to business, but remains critical to the Academy’s need for theoretically based research opportunities. I shall return to this topic later in relation to the research function.

In suggesting a way forward, i.e. a new paradigm for business education, Hughes (2006) supports Ray’s (1993) observations that business education needs to recognise that “reality is no longer limited to the physical senses outside human experience, but that it includes internal experience as well”. Ray concluded that intuitions, emotions, creativity and spirit are vastly more important than information gathered only through physical senses. He emphasised the uniqueness of different levels of consciousness and perceptions of reality as being a critical component of management, so much so that he suggested the replacement of the definition of management as “getting things done through people” to “getting things done with people”. There is still much lip service given to this issue in business education but very little evidence of educators providing relevant support to develop these practices.

**Multidisciplinary perspectives to support business challenges.**

Simon (1967) raised the tensions of multidisciplinary values within business education as far back as the 1960s. More recently, Lorenzi (2004) noted the challenge of aligning liberal arts with business issues and experience, often made difficult by the misalignment of values between their two philosophical orientations, thus influencing their critical approaches. Simon noted the challenge of applying diverse and multidisciplinary business education frameworks to the improvement of business practices as they required the application of diverse and in-depth disciplinary knowledge to broad based contextual business challenges. He noted that business education “may cover a wide spectrum from studies aimed at advancing fundamental knowledge about human behaviour, economics, and even mathematics to studies aimed rather directly at improving business practice”(1967, p.7). This challenge requires alignment between the relevant content of individual disciplines and constantly changing business practice. Effective practice in business education requires faculty to keep abreast of their disciplinary specialism as well as the business literature relevant to their disciplines, the latter only being be achievable by close involvement with the world of business itself. This requires a firm commitment to business as a discipline by faculty members specialising in other discrete social science disciplines.

Thus business education needs to develop faculty that have a current and in-depth knowledge of their own disciplines and an ability to move across disciplinary boundaries to identify and address critical business issues. This is difficult as the knowledge revolution impacts differently on their own discipline and the business discipline itself. Approaches to professional development and performance management often fail to deal with these tensions in a multidisciplinary faculty but these administrative and managerial issues are critical to the success of business education.

**Theoretical and applied knowledge.**
Another critical tension in business education concerns the relationship between theory and practice and the ways that these are integrated in the discipline. Pierson (1959) noted that business education constitutes “the product of two distinct and conflicting traditions. According to the first …, knowledge is pursued for its own sake … Most proponents of this view … would regard direct preparation for particular careers as basically alien to the purpose of academic work … The other great tradition … would have ample room for those students desiring to prepare for particular careers”. The assumption here, in agreement with Simon (1967), is that “the goals of a university include both the pursuit of knowledge for its own sake and the application of knowledge to practical pursuits”. Business academics often have to trade-off their prerogative to determine which critical issues to explore within the discipline for a problem-oriented focus on issues determined by external stakeholders. This requirement is becoming increasingly the case in universities aiming for global accreditation. They are required to demonstrate a tight link between mission, teaching, research and contribution to community-based stakeholders, including business (for-profit and not-for-profit).

At a research level, Simon (1967) suggested that a business school should allow researchers to develop applied interests in their discrete disciplines whilst also developing techniques to solve practical business problems. However, stakeholders now appear to require business research to provide more relevant and timely input into business problems. In this environment the research challenge requires dialogue between the social and the physical sciences, and in-depth discipline-based research that informs cross-disciplinary business-based issues. Bennis and O’Toole (2005) note that this challenge needs to be addressed in the face of increasing competition from corporate universities, for-profit educational organisations and consultants, given that “business practitioners are discovering that business school professors know more about academic publishing than the problems of the workplace” (2005).

**STAKEHOLDER ANALYSIS**

**Shifting demands of stakeholders in a complex business environment**

As stated earlier, debates concerning the nature of business as an academic pursuit and as a professional value-adding practice are under increasing scrutiny, the concept of value being a contextual consideration often understood differently by the various stakeholders. In the West business education is being called upon to provide more “just-in-time” learning for its constituency. The increasing complexity of the business environment now demands that graduates as would be managers and technical experts should leave university “not so much complete in their knowledge of business as knowing how to access and apply knowledge in the furtherance of constantly shifting business goals and changing societal expectations of business” (Ancona et al 2007). In other words, in a global environment it is impossible to have complete knowledge at any given time, and the belief in and pursuit of certainty as a condition of decision-making in business is increasingly spurious and unproductive.

In a special issue of the Academy of Management Executive in 2004 on ‘Decision Making and Firm Success’, Ireland and Miller (2004) noted the importance of teaching managers basic steps of classical decision making but also noted the dangers of teaching simple frameworks in an environment characterised by complexity and ambiguity. In such an environment, many situations cannot be reduced to simple probabilities and future preferences can change on a daily basis. If, as widely argued, the decision-making process is the key function of management, then students need to know how to “decid[e] how to manage organizational knowledge bases to overcome obstacles and exploit opportunities that are the products of accelerating industry dynamics, increasing technological complexity, the merging of complex technologies and other environmental changes” (2004, p. 8). This suggests that the challenge of analysing, synthesising and learning through reflection on both
routine and non-routine decisions are at the core of the learning processes in business education and related skills should be developed through the university system.

Industry as stakeholder

Do we know how to respond to industry in this environment? It appears that industry requires universities to deliver program content in the form of basic business concepts, constructs, frameworks and capability that provide a broad and professional understanding of environments, functions and business process. However the tension exists as to how to impart academic theories, analytical tools, and rational analysis without promoting the mindset of certainty that would diminish the ability of students to critique their knowledge in order to identify problems, and develop analysis, research and problem solving approaches that are relevant to the business context.

Developing a dialogue with industry as a stakeholder is often difficult for universities, but the lack of a clear dialogue with business has significant costs. In relation to the capacity to respond to industry needs for decision-makers, Bennis and O’Toole (2005) note that business professors don’t often appreciate the industry agenda. Rather, they seem unaware that executive decision makers are not fact collectors, instead they use and integrate facts, “thus what they need from educators is help in understanding how to interpret facts, and guidance from experienced teachers in making decisions in the absence of clear facts”. Bennis and O’Toole (2005) suggest that “business faculty must have expertise in more than just fact collection. The best classroom experiences are those in which professors with broad perspectives and diverse skills, analyse cases that have seemingly straightforward technical challenges and then gradually peel away the layers to reveal hidden, strategic, economic, competitive, human and political complexities – all of which must be plumbed to reach truly effective business decisions”. They note that in the current business environment, the chances of appointing these people to university positions are getting slimmer. Without these people with both analytical and intuitive skills based on industry experience, effective dialogue with industry will be difficult.

Students and Parents as stakeholders

Not only is effective communication critical with our industry stakeholders. It is equally important to be able to communicate to students and parents our objectives and roles in developing graduates who can compete effectively for employment and also cope and contribute in today’s complex work environments. Communicating these messages in an increasingly dynamic business environment requires the university to have internal business expertise leveraging from and integrating the academic and marketing functions. This requires sharing of product and service based information as well as achieving a common understanding of value propositions and impact statements. This problem is aggravated when program objectives are unclear to the program designer and provider, an issue for quality standards in academia in a rapidly shifting business environment.

Students and parents appear to require assurance that degrees are generic enough to be recognised and valued by industry, thus offering firm career opportunities. Second, these stakeholders need to understand the benefits of further specialist streams within the professions as an aid to long-term career planning when jobs are being created for which we are currently unable to identify the skill requirements. Finally the program needs to present clearly its value in developing student skills and capability that is attractive to employers concerned with immediate application and value in the workplace. This is challenging enough from the perspective of curriculum content and pedagogy. However, add to this the shifting landscape of other stakeholder priorities and perceptions of employee value, and the task
becomes as challenging as the development and selling of any professional services in the marketplace.

**Government as a stakeholder**

Skill shortages in burgeoning economies are often foremost on many government agendas. Skill shortages have prompted an increase in skilled migration from 77,880 in 2004-5 to targets of 102,500 in 2007-8 in Australia. Governments are fine-tuning immigration policy to require migrants to increasingly demonstrate relevant formal skill acquisition together with demonstrated practical experience.

In this environment of skill shortage it is hardly surprising that industry stakeholders are putting pressure on educators to teach the basics of technical and professional expertise and also to provide students with industry insights and attributes that allow them to operate immediately and effectively. At the same time all stakeholders are requiring universities to minimise length of degree, and often, face-to-face contact within the delivery model. This is true for many full-time and part-time students. The explosion in demand for online courses is testimony to these time pressures.

**Overseas partnerships with other universities**

Operating with overseas partners to deliver joint degrees introduces an additional dimension to stakeholder communication. Whilst an essential component of any business degree should be to provide an international perspective for its business students, international partnerships delivering joint degrees should share discernible and ongoing goals concerning appropriate student outcomes.

Ongoing review of the relevance of joint offerings is critical. In the first stages of partnership, alignment of the content of joint degrees is often a priority within broader program objectives. In situations in which there is limited time for communication and negotiation, this objective of achieving aligned course content can often take priority over broader pedagogical and learning outcomes. These additional concerns might include alignment between our respective degree content and requisite graduate attributes that are relevant in local, national and global business contexts. I am suggesting this is an area requiring renewed attention so that we can meet the needs of our respective stakeholders. But first this needs increased understanding of our respective stakeholder obligations.

**Inside the mind of the stakeholder**

Often as educators it is difficult to understand the mind of our stakeholders concerning expectations of business education. We rarely get the opportunity to test our curriculum against real world expectations. However there is a growing need to test the relevance of curriculum design in relation to future oriented business challenges (with perhaps less reliance on historical precedence as a guide to our contributions).

The nature of this challenge is often clear to me when I supervise third year undergraduate students in our Industry Based Learning (IBL) program in which students are placed in industry for a 6 or 12 month period, under the supervision of a university lecturer. For many of these students, a major challenge relates to acquiring relevant organisation or industry specific knowledge at the same time as developing a sense of belongingness and alignment with organisational culture, values and practices. As an educator, it is hard to deny that this process often requires “relearning” not so much the content of courses but the belief that the content is applicable in any circumstance. Both undergraduate and postgraduate business
students are often criticised by business practitioners for the inability to contextualise their learning appropriately. A grasp of basic business fundamentals is often pursued to the exclusion of developing an understanding of the appropriateness and relevance of their application in context.

So is it our responsibility to equip students to manage this transition between formal and applied learning practices? I would argue it is, and increasingly so. The following comments by Cummings and Worley (2005) are relevant to the challenges faced by our students on entering the workforce and have implications for both curriculum content and the pedagogical principles supporting business education

“More and more people are finding that the pace of change exceeds their physical and mental capacity to adapt. A burgeoning world population, arguably the root cause of so many social threats and opportunities results in an ever increasing number of individuals, groups, start-ups, organizations, consortia, governments, countries and economies pushing their technologies, products and services, economic agendas, social changes, innovations, ideologies and politics, and interventions. As these changes collide and interact, they accelerate the rate of perceived and real change. It’s no wonder people feel overwhelmed. Sociologists call it anomie, a state of being characterized by the lack of social norms, or anchors of stable and shared values ... Change and the dilemmas it poses is all around us.” (2005, p xvi).

The need for students to be able to recognise and cope with the challenge of constant change has significant implications for the design, teaching and learning processes associated with business education. In this environment students need to learn business basics at the same time as they develop the ability to critique their application of such content.

From a pedagogical perspective we have to institute relatively stable environments in order to teach business basics whilst at the same time acknowledge that in a contextual and dynamic world, an appreciation of basic principles must not imply a static perspective of reality. Students need to think in terms of contemporary relevance and implications of their learning, not only in terms of historical precedent. For example, when teaching accounting, whilst it is critical to impart disciplinary and professional standards it is also vital that students understand the developing role of the accounting profession in facilitating sustainable development and its accountability. This requires accounting professionals to broaden their view of business, appreciating the need for new perspectives on resource usage, including accountability at an organisational, national and global level.

Thus in complex environments it is seen as critical that students are able to challenge basic assumptions in disciplinary content in order to apply and contextualise concepts, constructs and frameworks to yield effective responses in the workplace. They therefore need to understand the learning process as a part of the business discipline. For example, double-loop learning (Argyris and Schön, 1974) has become increasingly relevant to applied learning practices in successful business in a period of increased competition and rapid change. In double loop learning, the second ‘loop’ of learning or reflection requires critique of fundamental assumptions in place to date, some of which might have become irrelevant to new business context. However students also need to understand the realities of context and culture e.g. the appropriateness or implications of questioning assumptions in hierarchical and autocratic cultures. This is an example of student learning that needs to be understood and practiced with sensitivity to context.

In the next section we will consider examples of pedagogical responses to issues concerning the need to provide more dynamic challenges for students possibly through project work, the case study, and group work (face-to-face and virtual). All of these have implications for a
student’s reflective approach to learning and their ability to apply knowledge and judgement in the workplace. I will draw on my teaching experiences to illustrate some of these points. I am also suggesting that these examples highlight opportunities for possible joint projects between our two institutions.

**HOW ARE WE RESPONDING AT THE TEACHING, LEARNING AND RESEARCH LEVELS?**

A major “given” in our approach to course design and delivery is to ensure that our learning environment reflects the real world environment. Pedagogy and content offerings need to mirror the cognitive and learning experiences of our students in the global marketplace characterised by digital information and communication services.

From a pedagogical perspective we need a mix of instructionist and constructivist\(^1\) methods to deliver business basics (often agreed with professional bodies) and to develop an appreciation of concepts and issues within a business context. Such an approach invites debate as to whether and in what circumstances the constructivist approach (based on constant practice of research skills to resolve learning challenges) will be more effective than structured and sometimes rote-like learning practices, in which discipline based functional knowledge is taught in categorised packages. Constructivism relies heavily on the teacher as facilitator and coach. It also encourages group and team based learning that leverages from individual differences, knowledge sets and competencies.

A constructivist approach to learning can have a positive impact on student engagement and motivation through its focus on relevant and contemporary issues and its ability to empower students to experience learning outcomes that appear to be relevant and valuable. It also develops a culture of pro-activity in learning that is transportable to the workplace. Its associated culture of learning is relevant to broader community interests and fosters business research skills amongst its participants. However, some commentators have noticed that a constructivist approach can encourage surface as opposed to deeper learning if course design and academic facilitation is not appropriate. Finally individual attention to students will increase teacher workload.

**Use of case studies, group work and projects**

Pedagogies associated with a constructivist approach are also under review from the perspective of their potential to develop dynamic rather than static ways of information processing relevant to increasing complexity and paradox. For example, the literature is now reflecting significant innovation in the *use of case*. Five or so years ago I was discussing with Chinese colleagues from business schools the need to build up a stock of relevant Chinese case studies that reflected the realities of Chinese business. We now appear to have a broader set of issues for discussion i.e. how we can use “case” to help students understand decision-making and associated analytical processes. Commentators in the West on the use of case are acknowledging that many traditional uses of case are increasingly inappropriate because they focus on a particular and static solution.

There is a body of opinion noting that we need to use case studies in a more catalytic manner. This approach uses case as an example rather than as a total focus of analysis, and students are encouraged to explore and further investigate the issues in the case in light of contemporary evidence and their own experience. By so doing students are less likely to

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\(^1\) Instructivist learning methods are traditional and teacher centred and is based on the premise that knowledge is attained passively by information transfer from a knowledgeable authority figure to the learner (Gardner, L.F. 1998). Constructivist pedagogy values developmentally appropriate facilitator-supported learning that is initiated and directed by the learner. (Wikipedia)
approach case analysis as requiring static solutions and requiring correct answers to a situation at any given time. The Web allows students to see where organisations are currently placed and to consider historical events in light of contemporary evidence. Thus the use of case can also allow more contextual and comparative analysis, providing a myriad of possible approaches and outcomes from a variety of perspectives, framed by knowledge of subsequent events. This approach “is much more personal than ‘a one size fits all” solution, allowing an opportunity for self reflection about individual preferences” (Fischer and Chung 2007).

Eppler and Mengis (2007) suggest that students should also use case studies in a manner that allows a better understanding of information processing and decision-making in a corporate environment. They note that “while the beauty of case studies lies in their closeness to corporate life, they should try to simulate as many facets of managerial decision-making as possible from exposing students to typical situations, time pressure, information abundance, and knowledge asymmetry”. This requirement to provide insight into the sources and different perspectives on available knowledge helps students deal with the complexity, uncertainty, politics and judgement used in the interpretation and analysis of information in the decision making process. This approach might counteract criticism by industry that business graduates enter the workplace with too much “certainty” based on too little understanding of the complexity of decision making and information interpretation.

Another critical attribute relevant in today’s business environment is team work. Our approach to developing team work for business students can be very much influenced by the culture of individual disciplines. For example, recently a discussion was held with colleagues from an IT faculty concerning best practice in group work and the ways to avoid “freeloading” in groups. Their approach to overcoming this problem was to ensure that students at the same perceived level of ability were grouped together. Their rationale was that we could not manage and reward effective group work in academia with persons of differing ability and motivation, as one might “in the real world”. A different approach was adopted by academics in the business discipline. They tended to see the issue as very much real life, ‘freeloading’ occurring in the workplace on a daily basis. They also believed that a major objective of the exercise was that students learn the skill of managing different levels of motivation and ability in teams. Such experiences can provide enormous learning opportunities for students. Obviously the process needed to be monitored and assessed critically and carefully by staff. This highlights the fact that on the basis of assumptions such as those concerning the challenge of assessing different levels of input into team work, many academics might avoid using group and team work. In my opinion these challenges cannot be avoided. The value of teamwork in the modern workplace is immense and we should be seeking to improve its development and delivery as a form of business education.

The student capabilities and attributes associated with case study analysis and team work discussed above can be seen as critical tools for developing student skills relevant to project work often in association with industry.

However the development of staff capability to deliver this type of education requires critical consideration of culture within Business faculties and it would be difficult to pass over this issue without reference to the observations of the late Sumantra Ghoshal (2005) concerning the relationship between the research culture, course content and the overall challenge of helping students meet the expectations of industry and the wider community.

The research agenda within business education

Ghoshal (2005) responded to the ways in which business educators perceived their need to reform business education in the aftermath of the corporate scandals at the beginning of the decade, e.g. Enron, Tyco, etc. His critique proffered in this context has much broader implications for the contemporary challenges for business education. He wrote ‘business
schools do not need to do a great deal more to prevent future Enrons; they need only to stop a lot of what they currently do”. A major concern of Ghoshal’s was the causal or functional mode of explanation embedded in business and management theories which serves to exclude ethics and morality as mental phenomena. He notes how this approach has been combined with what he calls the “ideology-based gloomy vision” concerning assumptions regarding human nature. He argues that “rational self interest” as a model of people behaviour has permeated economics, sociology and psychology, all key disciplines within the broader discipline of business. This combination of research methodology and ideological assumptions has had certain negative effects for business and management theory according to Ghoshal (2005). This is part of the wider problem wherein he argues that academic research related to the conduct of business and management has had significant and negative influences on management practices, through the adoption of the scientific model or “the pretense of knowledge”. He states that “This pretense has demanded theorising based on partialization of analysis, the exclusion of any role for human intentionality or choice, and the use of sharp assumptions and deductive reasoning (Bailey and Ford, 1996). Since morality or ethics is inseparable from human intentionality, a precondition for making business studies a science has been the denial of any moral or ethical considerations in our theories, and therefore in our prescriptions for management practice”.

Ghoshal notes the integration of ideologically aligned disciplines has influenced an understanding of management in the following ways

Combine agency theory with transaction costs economics, add in standard versions of game theory and negotiation analysis and the picture of the man that emerges is one that is now very familiar in practice: the ruthlessly hard-driving, strictly top-down, command-and-control focussed, shareholder-value-obsessed, win-at-any-cost business leader (2005 p. 85)

Thus he argues that the research focus on causal determinism has denied any place for the role of human choice and intention. Research findings are then translated into educational tenets that have adverse outcomes for the managerial discipline and role. He gives the example of business courses on corporate governance, grounded in agency theory, e.g. that of Jensen and Mackling, 1976. They have developed an understanding that managers cannot be trusted to do their jobs, so in order to get them to align with corporate objectives they have to receive stock options as a significant part of their pay.

He believes many of these broad perspectives on agency and intentionality cannot be elegantly modelled “the math does not exist”, and supports the shift away from the pretence of scientific laws to “the association of scholarship with common sense”, stating “scholarship of common sense is the epistemology of disciplined imagination … not the epistemology of formalised falsification” (2005 p.81). He notes that the difference in the physical sciences is that causal analysis is used to explore phenomena that are not influenced by the explanation posed by science. In the social sciences the explanations (causally based) are internalised by agents and influence practice. This is a critical set of realisations for business educators and they are receiving significant attention in the form of “positive schools” in the disciplines of psychology, economics and sociology, all of which are “moving way from a disease model of human nature” (as described by Martin Seligman through his activities in the American Psychological Association).

This is not the place to expand on these issues, however, the message from Ghoshal (2005) is to consider the impact of research on business education in its quest to meet stakeholder needs across the wider community. My personal perspective aligns closely with that of Ghoshal (2005) who asks for more balance across the four different kinds of scholarship defined by Boyer (1990). These are the scholarship of discovery [research], the scholarship of integration [synthesis], the scholarship of practice [application], and the scholarship of teaching
[pedagogy]. Ghoshal (2005) fears that the scholarship of discovery [research] might end up dominating and eventually eliminating all other forms of scholarship from business education. To avoid this requires reviewing our research agendas closely and working towards their integration with our broader disciplinary objectives. This appears critical to ensure that our students will be able to review, critique and apply a broad range of theories reflective of existing practice, not just reflections of quantifiable and generalisable phenomena in the business world.

This brings me to a final section concerning our responses to stakeholder pressures outlined above concerning business education and the implications for partnership with CUMT.

**IMPLICATIONS FOR PARTNERSHIP: HOW COMMON ARE OUR GRADUATE ATTRIBUTES?**

In response to concerns about the gap between the changing needs of industry and the skills available in labour market, the Department of Education Science and Training (DEST) funded a review of industry views on ‘employability skills’ (DEST, 2002). In defining their graduate attributes, universities have been cognisant of the findings of this Report. The Report identified the following skill groupings:

- communication skills that contribute to productive and harmonious relations between employees and customers;
- team work skills that contribute to productive working relationships and outcomes;
- problem-solving skills that contribute to productive outcomes;
- initiative and enterprise skills that contribute to innovative outcomes;
- planning and organising skills that contribute to long-term and short-term strategic planning;
- self-management skills that contribute to employee satisfaction and growth;
- learning skills that contribute to ongoing improvement and expansion in employee and company operations and outcomes; and
- technology skills that contribute to effective execution of tasks

(DEST, 2002, p.7)

Universities tend to acknowledge these generic attributes required by industry in defining their course outcomes. There is evidence to suggest that our overseas students will also require these attributes. I suggest this is an area for review and analysis by our two universities with the intention that we monitor, review and align our content and pedagogy to meet student needs and attributes as these become more apparent and commonly appreciated, and as employer requirements are clarified. It is critical that we understand more clearly the work environments that our international students will be entering upon graduation.

Currently there are limited sources of insight about the diverse needs of employers in China and the market segments into which our students are likely to enter. A recent survey by the Commonwealth Government of 123 employers in China in multinational subsidiaries, local companies and government agencies found that 59% of employers wanted enhanced English Language skills from students educated abroad; 57% wanted them to have strong ability to liaise and communicate effectively with overseas business people; and 38% wanted a more creative and innovative approach to their roles (Australian Education International, 2006).

I would suggest that at this stage in our partnership we need a better understanding of each others required graduate outcomes, drawing from agreed approaches to data collection and
analysis. I do not believe that this will occur through merely increasing opportunities for dialogue and information exchange, rather I am of the opinion that we need to develop joint applied research projects to identify the issues, exchange perspectives and to suggest refinement of our joint programs. In this activity, I suggest that we refer back to Ghoshal’s (2005) plea for methodologies that combine “common sense and empirical evidence”, the former drawing from our respective insights into the complexity of stakeholder management issues.

My observations to date, in relation to the graduates from our joint degree programs, is that they have valued the opportunity to experience curriculum content delivered from a Western pedagogical perspective, whilst still benefiting from studying the basics of commercial knowledge and practice in a Chinese context. We need better insights concerning the value of this dual model for student experience and employment outcomes.

An area for specific investigation could be the needs of business graduates operating in a global business labour market. Recently business education reviews have suggested that many undergraduate and graduate courses could provide more “essential skills in less tangible areas, such as communications, interpersonal skills, multicultural skills and change management….Companies are increasingly impatient for managers who can thrive in the changing global marketplace, one in which social and environmental priorities are increasingly on a level with traditional economic concerns”(Gardiner and Lacy, 2005). Perhaps it would be valuable on which to reflect and further investigate whether our graduates are well equipped for this global marketplace.

So I am suggesting forms of cooperation towards which we can take the first steps at this conference. I am confident that working through these issues together, using appropriate and innovative research methods, we can open up new and focussed areas of dialogue. Such an approach would have benefit in developing policy initiatives to improve the quality of our joint degree programs. Lastly, such an approach could provide research opportunities for both universities in the area of “global partnerships in delivering business education”.

REFERENCES


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13