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Chronicle of a quiet revolution in business schools

By Morgen Witzel

The Roots, Rituals and Rhetorics of Change North American Business Schools After the Second World War

By Mie Augier and James G. March

Stanford University Press, \$40.00/£38.95

Business schools are under the microscope again, their relevance and value questioned in many quarters. The financial crisis has triggered a self-examination of their *raison d'être*.

However, before we can decide whether and how business schools need to change, it is worth pausing to consider how and why business schools have evolved as they have.

The Roots, Rituals and Rhetorics of Change describes the revolution in business education that took place in the 1950s and 1960s. Although the focus is on North America, as authors Augier and March point out, the US business school model was imitated around the world. It is no exaggeration to say that our current model of business education – warts and all – is a direct product of those reforms.

Before the 1950s, business schools were, in the words of a contemporary observer, the “slums of the educational community”. They did little of their own research, focusing mostly on identifying and transmitting best practice in management to their students.

After the second world war, a diffuse group of business academics, influenced by the Rand Corporation, a think-tank, argued that the only valid knowledge was that which could be proved scientifically. A series of reports by organisations including the Ford Foundation concluded that business education had to become more academic.

The poster child of this new academic movement was the path-breaking Graduate School of Industrial Administration at the Carnegie Institute of Technology (now Carnegie-Mellon). GSIA was intended to provide management education based on rigorous, multidisciplinary research. In the words of Augier and March, the reformers “proclaimed the importance of problem framing more than problem solving”.

GSIA recruited some of the best minds in management science. It would go on to influence

every large business school in the US and eventually the world.

But there were problems with the GSIA approach that still linger. First, little more than lip service was paid to the idea of multidisciplinary. Even at GSIA, the important subject areas were mathematics, economics and behavioural psychology. Sociology and political science were on the sidelines; other disciplines did not get a look in.

In practice, as Augier and March point out, there is a conflict between academic rigour and multidisciplinary. The need for rigour pushes people towards specialising in one discipline.

As a result, business schools are made up of silos, full of people who are deep specialists in their own field but who know little about what is happening in others.

The need for academic rigour has also had an impact on the kinds of knowledge that business schools produce and disseminate. As Augier and March put it, schools are almost required to talk about a balance between fundamental and practical knowledge. In fact, most schools concentrate heavily on academic theory, for reasons that have as much to do with research rankings and funding as they do with ideology.

The book's conclusion is that the business school reformers of the 1950s and 1960s fell short of the high aspirations they set for themselves – and that we are still living with the consequences.

And there is also a nagging feeling that by concentrating on scientific and academic rigour, something vitally important – experiential knowledge – has been left out of management education.

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