

# The Regional Relevance of Management Education

---

October 26, 2006

Sung Joo Park  
([sjpark@business.kaist.ac.kr](mailto:sjpark@business.kaist.ac.kr))  
KAIST Business School





# Table of Contents

- ❖ Key Question
- ❖ History of Management Education
- ❖ Criticism on Business Schools
- ❖ What Do Business Schools Teach?
- ❖ Dimensions of Management Knowledge Relevance
- ❖ Economic Stages of Management Education
- ❖ Cultural Aspects of Management Education
- ❖ Final Thoughts



# Key Question

- ❖ Should management education be Universal?



# History of Management Education

- ❖ 1819: The 1<sup>st</sup> Accounting School, ESCP in France
- ❖ 1881: The 1<sup>st</sup> Undergraduate Business School, The Wharton School
- ❖ 1898: European Business Schools, Harvard Business School
  - Leipzig Graduate School of Management
  - The University of St. Gallen
  - Manchester Metropolitan University
- ❖ 1900: The 1<sup>st</sup> Graduate School of Business, Tuck School of Business
- ❖ 1911: Helsinki School of Economics
- ❖ 1921: The 1<sup>st</sup> MBA Degree, Harvard Business School
- ❖ 1921: Nanjing University in China
- ❖ 1924: Case Method, Harvard Business School
- ❖ 1941: ESAN in Brazil
- ❖ 1943: The 1<sup>st</sup> Executive MBA Program, Chicago School of Business
- ❖ 1949: The U. of Pretoria, The 1<sup>st</sup> OUS U. to offer an MBA
- ❖ 1957: INSEAD
- ❖ 1964: INCAE Business School in Nicaragua
- ❖ 1968: AIM (Asian Institute of Management) in Philippines

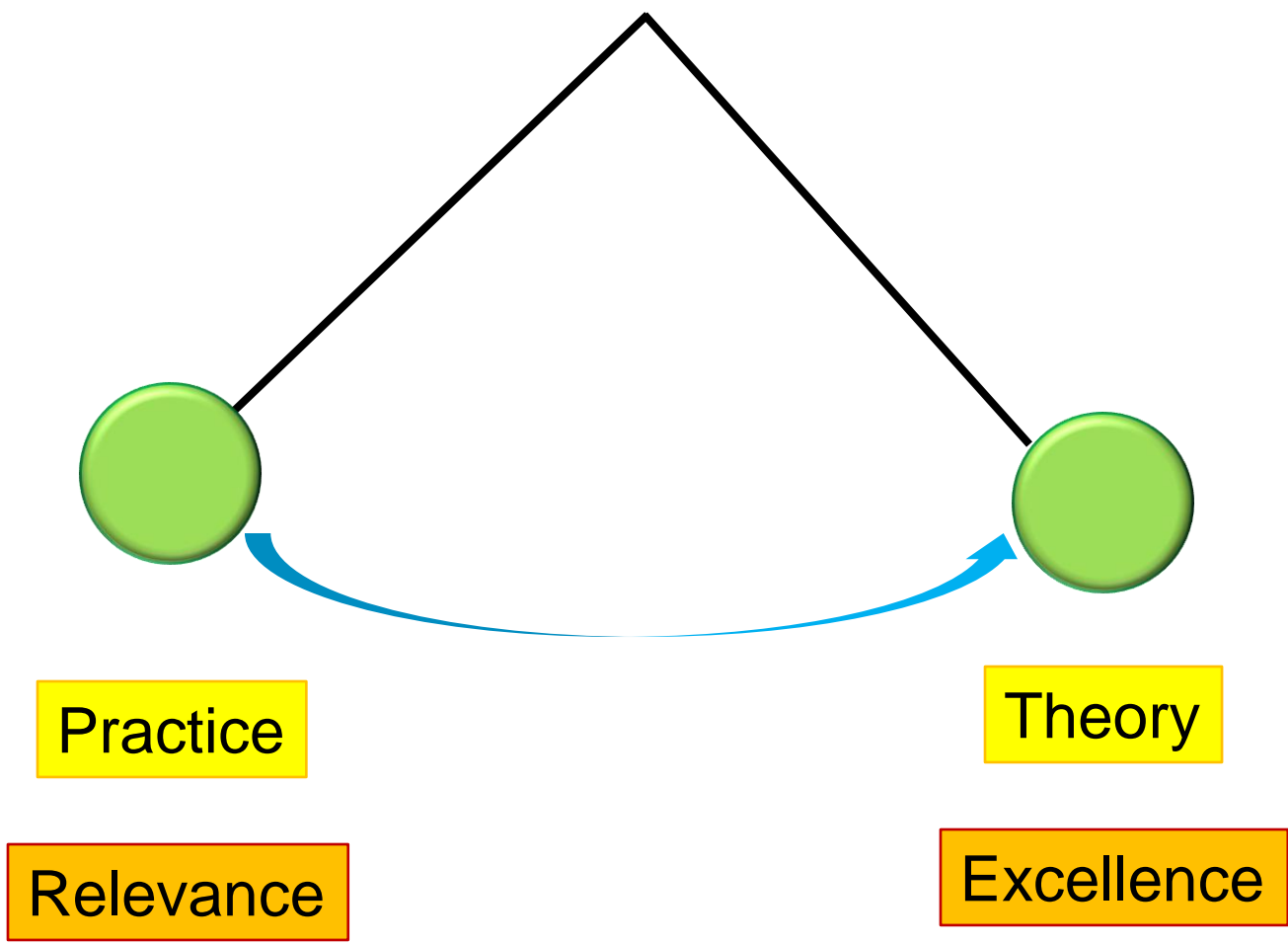


# Criticism on Business Schools

- ❖ The Gordon-Howell Report in 1959
- ❖ “Higher Education for Business”
  - Business schools: Vocational/trade schools
  - Narrow, simple and weak curricula
  - Weak academics
  - The 2<sup>nd</sup> class faculty members and students
- ❖ Calling for
  - More research and less consulting
  - More theory and analysis
  - More teaching of ethics
  - Fewer case studies
  - Improved regulation



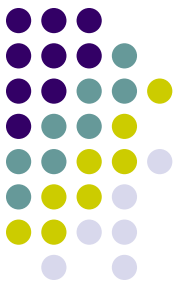
# Pendulum of Management Education





# The Results of Research Bias

- ❖ Pendulum swings back too far
  - Less emphasis on the teaching of the skill of management
  - MBAs unprepared for real-world management
- ❖ Better Research?: Dry Researches
  - Researches for research
  - Meaningless researches



# Another Report: Porter-McKibben

- ❖ By AACSB in 1988
- ❖ Management Education in U.S. Business Schools:
  - In danger of casually drifting
  - Potentially serious consequences
- ❖ Recommendations:
  - Strengthening Curriculum
    - Breath
    - Outside influences on business
    - Internationalization
    - Information and service sectors
    - Soft skills
    - Integration of disciplines





# What Do Business Schools Teach?

- ❖ Accounting/ Book Keeping
- ❖ Human Resource/ Personnel Management
- ❖ Operations Management
- ❖ Organizational Behavior
- ❖ International Business
- ❖ Marketing
- ❖ Information Systems
- ❖ Decision Analysis
- ❖ Quantitative Methods: O.R.
- ❖ Finance
- ❖ Capstone?

# What is Management?: Drucker's View



Management is about *human beings*.

- It's task is to make people capable of joint performance, to make their strengths effective and their weakness irrelevant.

Management is deeply *embedded in culture*.

- What managers do is exactly the same but How they do it may be quite different.

Management must also enable the enterprise and each of its *members to grow and develop* as needs and opportunities change.

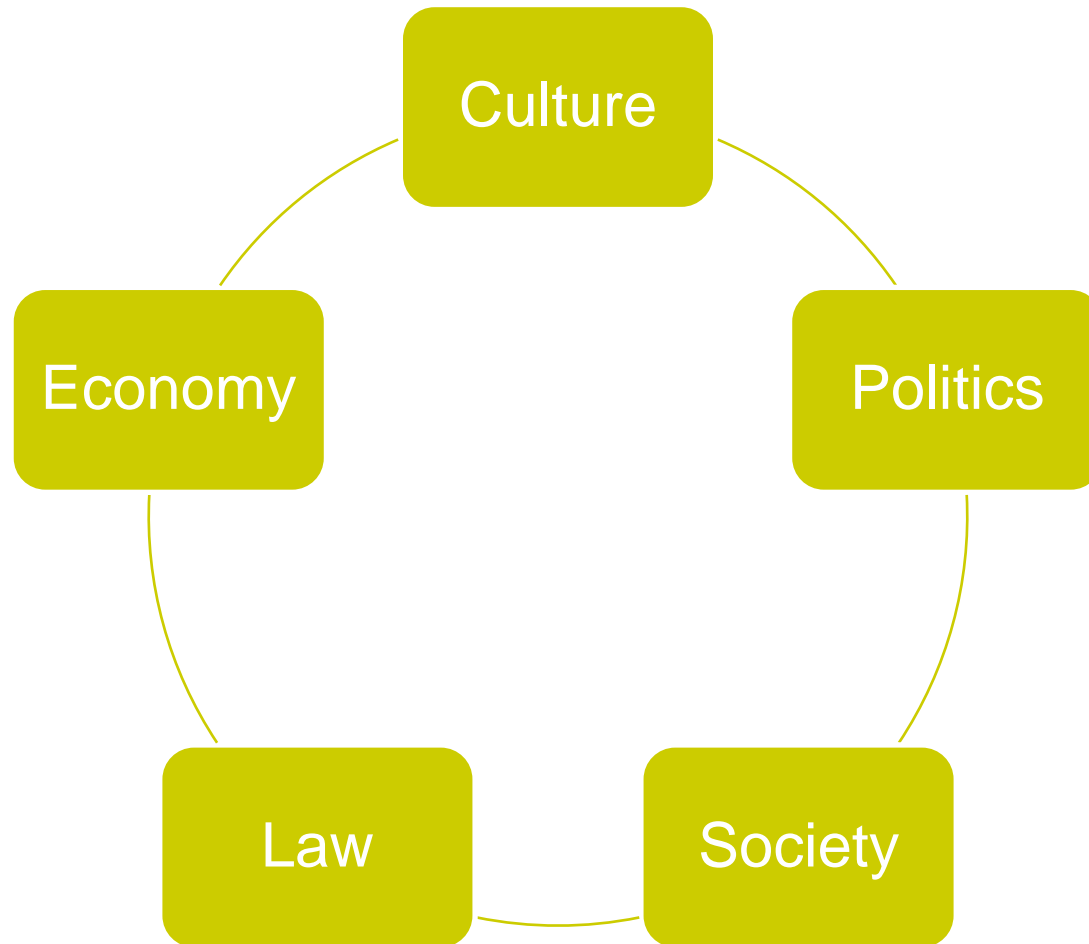
The results of enterprise exist *only in the outside*.

# Question on Culture (R.E. Nisbett): Western vs. Eastern Way of Thinking



	West <i>Individualism</i>	East <i>Collectivism</i>
Agency	Personal Agency	Collective Agency
Happiness	Liberty	Harmony
Rights	Individual Rights	Community Rights
Focus	Object	Relationship
Social Norm	Diversity	Unity
World View	Reductionism Static View	Holism, Ying-Yang Dynamic View

# Dimensions of Management Knowledge Relevance

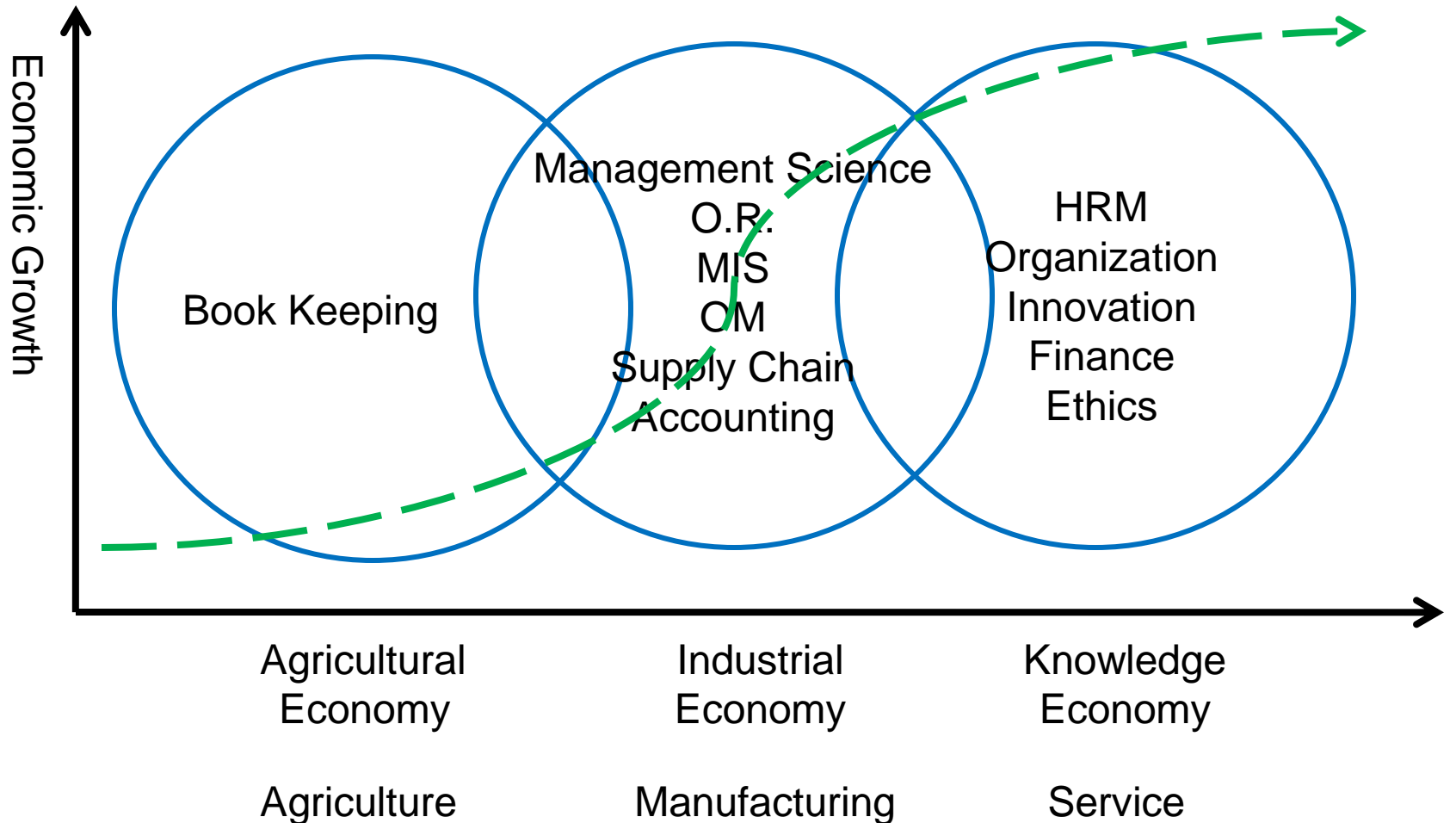


# Regional Relevance of Management Education

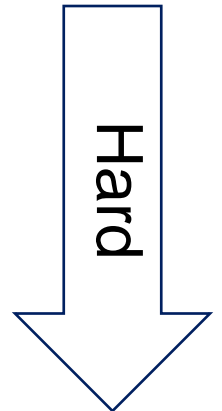
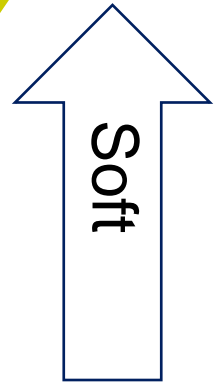
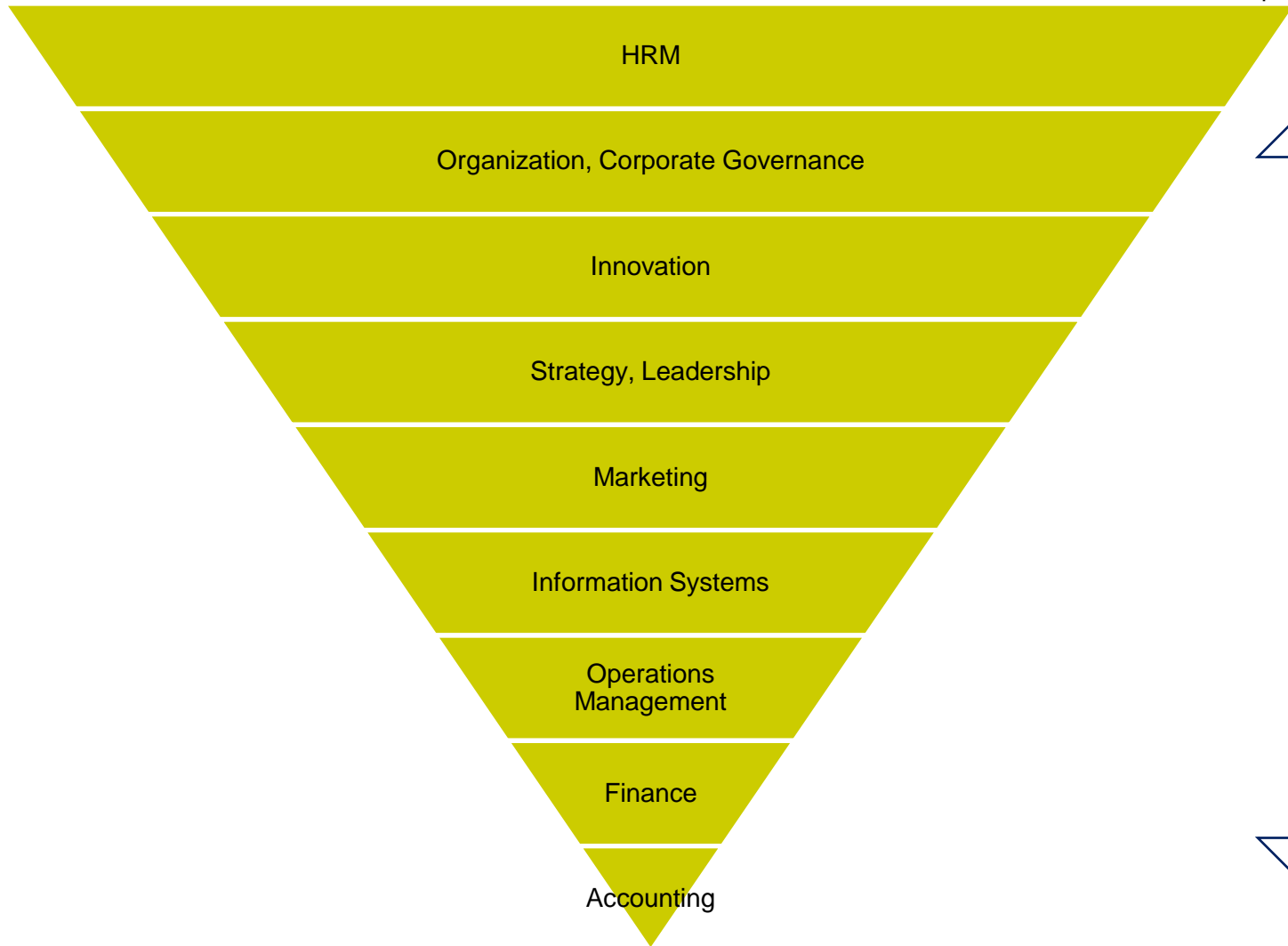


- ❖ Two Key Factors:
  - Stages of Economic Development
    - Agricultural Economy
    - Industrial Economy
    - Knowledge Economy
  - Cultural Fitness
    - East vs. West
    - North vs. South
    - Ethnic Cultures

# Economic Relevance of Management Education



# Human Contents of Management Disciplines/Fields





# Final Thoughts

- ❖ Mismatch
  - Imbalance between the needs of relevant management courses AND profiles of existing faculty members
  
- ❖ How to solve this problem?
  - Global Collaboration:
    - Faculty exchange, Tele-lecturing, ...
    - Develop Cultural-Fit Curriculum
  
- ❖ Management Education is Evolving: To where?





***Thank you very much!***