

# **The Standard of Business School Development “How Not to Lose Your Academic Uniqueness”**

## **The Development of a Distinctive Business School**

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### **Abstract**

*This paper tries to answer the main question on whether a business school can have its uniqueness in order to sustain from the competition in the changing environment. Furthermore, it outlines five core components of MBA curriculum, i.e. pedagogy, architecture, brand identity, geographic consideration, and market demand that are critical for a business school to differentiate themselves among rivals. To be distinctive, a business school should develop the uniqueness of its customer value propositions along with applying core values of excellence, trust, agility, partnership, and engagement (ETAPE). When they implement properly, the outcome of this combination will achieve the sustainable competitive advantage for the business school.*

*Keywords: business school, ETAPE, sustainable competitive advantage, uniqueness,*

### **Introduction**

In this decade, business schools have been developed and are more advanced compared to previous decades. Business schools proliferate around the world to support industry and business communities.

Currently, there are more than 12,600 business schools operating world-wide, as business schools, management schools or both. Basically, all business schools will offer programs that do not vary greatly. Nearly all business schools are based on lecturing, case method, and experiential learning. They will offer similar programs such as, Executive MBA, regular, fulltime, part-time, on-line etc. No wonder there is the very disturbing question of whether any business school can be unique.

### **Business School Distribution**

From 2010 data, business schools world-wide total around 12,600 (AACSB, 2011).

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**Table 1. Institutions Granting a Business Degree**

<b>Region/Sub-region</b>	<b>Estimated Number of Institutions</b>
Africa	767
Northern Africa	211
Eastern Africa	151
Middle Africa	41
Southern Africa	46
Western Africa	318
Americas	3,695
Northern America	1,726
Caribbean	97
Latin (Central & South) America	1,872
<b>Asia</b>	<b>6,087</b>
Central Asia	138
Eastern Asia	1,725
<b>South-Eastern Asia</b>	<b>1,978</b>
Southern Asia	1,829
Western Asia (Middle & Near East)	417
Europe	1,975
Eastern Europe	685
Western Europe	1,290
Oceania	99
Australia and New Zealand	76
Mela-, Micro-, and Polynesia	23

*Source:* AACSB (2011)

Table 1 above indicates that the greatest number of business schools is located in Asia, particularly South-Eastern Asia.

### **Academic Programs & Uniqueness**

Although most of the programs are similar, every business school can differentiate itself through a variety of activities. A discussion of academic programs will incorporate curricula, syllabus, method of teaching and learning. According to AACSB (2010), a program can be distinguished from other programs by title, published descriptions and in presentations to potential students, faculties, and employers. Of course, curriculum is one of the most important aspects to be discussed. It reflects a school's distinct vision and mission and depicts the values, capability, intellectual capital, and the character of its faculty and students. An essential component for recognition is: how good are the academics?

Although the environment keeps changing, the curriculum is still one of the most difficult components of a business school to change. A lot of factors need to be considered to alter the existing curriculum, not to mention resistance from the faculty. Hence, it is not surprising that tendencies to provide in-house programs (such as an MBA program) are in great demand, where the curriculum is tailored to the need of

the company. With such tailored programs, the uniqueness of the academics can be established and developed. Bearing in mind that uniqueness is a strength that distinguishes one business school from others.

## **Curriculum**

Basically, every business school has the flexibility to determine and package their own curricula in order to meet their vision, mission and learning objectives for each degree program. Accordingly, in order to differentiate from each other, business schools use a variety of structures and approaches to provide learning experiences for the students.

As mentioned above, just to look narrowly at the content of a curriculum offered by a business school - which can be found easily through their website – we find there is little difference from one to another. We need to go into more detail to see the differences among the curricula that at the end constitute the uniqueness of the academic program. The curriculum can be further analyzed through focusing on several criteria i.e. content, pedagogy, architecture, and purpose (Datar, Garvin, & Cullen, 2010). In brief, content of the curriculum covers the subjects or coursework to be taught, while pedagogy covers the teaching method. Architecture of the curriculum pertains to the division of core/electives or which concentrations/specialization to be included, as well as the extent and composition of joint or dual degree. Finally, purpose covers the expected objectives/goals of the curriculum.

In light of the above criteria, and further elaboration on the content of the curriculum among business schools, there are certainly no significant differences. The purposes of the curriculum are all closely alike: all business schools declare that the learning goal is to educate and produce business leaders by ensuring the students master both hard skills (analytical) and soft skills (managerial/leadership).

Rather, more differences exist in the other criteria i.e. pedagogy and architecture. Although nearly all business schools state that the teaching methods such as lecturing, case method, simulation or novel trend of experiential learning constitute their basic pedagogy, the apportioning of these methods vary. Some depend heavily on lecturing, some rely completely on case method (still further distinguished between full paper cases or through multimedia), and others deliver a balance between lecturing and case methods. Other configurations relate to how strongly simulation is emphasized, to what extent experiential learning is offered and the necessity for coaching, mentoring, etc, as well as the extent of interaction. Architecture relates to the portion of core/electives, also the breadth of electives or the length of core courses required. The sequence of courses or the extent of joint/dual degrees with other programs of the same institution (or different institutions) varies from business school to business school.

Besides the above criteria, the distinctiveness (uniqueness) of a business school is also influenced by its brand identity, geographic consideration and market demands (Danko & Anderson, 2009). Any curricula changes should reflect the brand equity (reputation, legacy, image, prestige) it wants to create, geographic considerations - such as students it wants to attract (residential, non-residential, local, international, regional) and also the market it wants to serve (distance learning, off-campus, executive program, in-house program, niche program, dual

degree/partnership). All components of the curriculum which can make it unique are summarized in Table 2.

Yet according to Mintzberg (2004), most business schools (offering an MBA) that are supposed to deliver management education are not delivering to the standard. A blend of a good deal of craft (experience) with a certain amount of art (insight) and some science (analysis) is not well applied. Most business schools emphasize science (analysis) more than craft and art. Surely a better structure of craft, art and science will distinguish their curriculum from others. Eventually the sum of all these will differentiate one business school from others and form uniqueness.

**Table 2. Core Components of MBA Curriculum**

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Pedagogy	<ul style="list-style-type: none"> <li>• Lecturing</li> <li>• Full or partly Case Method (full paper cases, through multimedia)</li> <li>• Game/Simulation</li> <li>• Experiential Learning</li> <li>• Coaching, mentoring</li> <li>• Interaction</li> <li>• Exercises</li> </ul>
Architecture	<ul style="list-style-type: none"> <li>• Portion of core/electives</li> <li>• Concentration/focus</li> <li>• Sequences</li> <li>• Extend of joint degree/ dual degree</li> </ul>
Brand Identity	<ul style="list-style-type: none"> <li>• Reputation</li> <li>• Legacy</li> <li>• Image</li> <li>• Prestige</li> </ul>
Geographic Consideration	<ul style="list-style-type: none"> <li>• Residential/non-residential</li> <li>• Local</li> <li>• Regional</li> <li>• International</li> </ul>
Market Demand	<ul style="list-style-type: none"> <li>• Distance learning</li> <li>• Off-campus</li> <li>• Executive program</li> <li>• In-house program</li> <li>• Niche program</li> <li>• Dual degree/partnership</li> </ul>

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## How to Sustain Uniqueness

It is not easy, and does pose a challenge to sustain the uniqueness of a business school – firstly in light of tough competition among business schools, particularly in developing countries such as Indonesia; and in the world at large, where as mentioned in Table 1 more than 12,600 business schools exist. Secondly, rapid changes in the environment of the business school also pose a challenge to uniqueness. The program, curriculum including content, pedagogy, architecture and purpose are subject to emulation and cannot be granted intellectual property. What distinguishes one business school from others is very limited in option and arrangement.

However, regardless of whether a business school is a private, state-owned, profit or non-profit entity, it must offer stakeholders (students, parents, recruiters, investors) something unique if it expects to sustain an advantage in the marketplace and success as a distinctive business school. This distinctiveness tends to promote a sustainable competitive advantage for the business school. It therefore needs to be preserved by developing a strategy that ensures the sustainability of a unique business school. The ability to sustain value creation, whether from the customer's or the shareholder's perspective and to prevent/implement/leverage imitation is part of the ultimate goal of any strategy (Frery, 2006). Through strategy, a business school seeks to sustain its distinctive competency or uniqueness.

To be sustainable organizations need to preserve its core ideology (core values and core purpose) as an anchor point while stimulating change, improvement, innovation, and renewal in everything else (Collins, 2001). While the purpose of the business school is basically similar (Datar, et al., 2010) i.e. to create value for society and its stakeholders (Khalifa, 2009), the core values that shape the business school's culture differ. A company (business school)'s core values are the beliefs, traits, and behavioral norms that employees are expected to display in conducting the company (business school)'s operations and pursuing its strategic vision and strategy (Thompson, Strickland & Gamble, 2010).

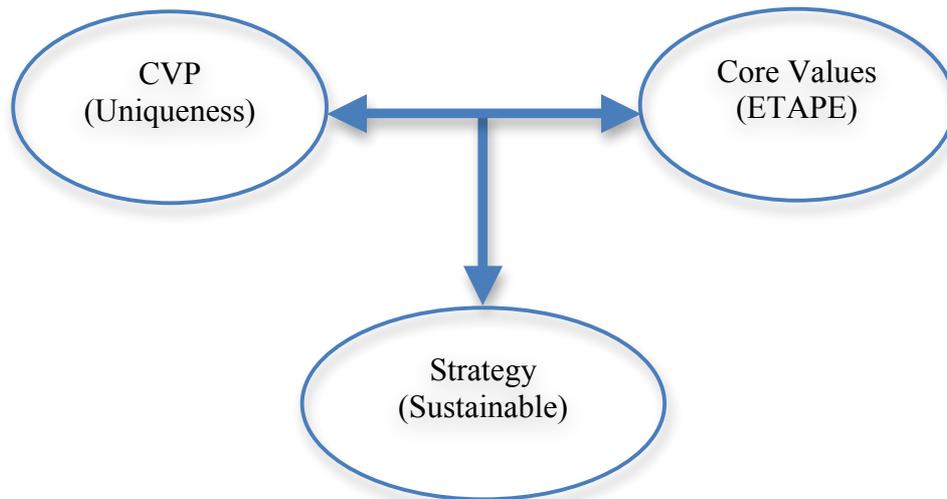
Although their values basically differ among business schools, nonetheless in such a globalized, disruptive technological and diversified environment, business schools should consider incorporating at least the core values that we call **ETAPE**, stand for **E**xcellence, **T**rust, **A**gility, **P**artnership, and **E**ngagement - as an anchor point.

For excellence, every business school needs to ensure the standards of teaching, learning and research are developed through continuous improvement; ensure all faculties stay current in their discipline of teaching and maintaining an academically and professionally qualified faculty. With mutual trust, all stakeholders will respect each other and all faculty members will work with integrity. Agility constitutes a combination of flexibility and responsiveness, ensuring a quick response to customer demands or needs and opportunities. Also taking into account cost, quality, reliability and flexibility, while maintaining financial strategies to provide resources appropriate to and sufficient for achieving its objectives. Business schools must invest and build strategic partnerships with their counterpart institutions, businesses, associations, industry, and other educational and research organizations. Faculty should encourage collaboration and cooperation. Finally 'engagement' means maintaining stakeholder engagement for the business school - particularly when challenged by difficult situations; as well as engaging learning, teaching and research with appropriate attention and dedication.

Besides core values (ETAPE) that become the culture of the business school, another interlocking element that creates and delivers value to stakeholders is undoubtedly value proposition. Business schools can create value propositions along many dimensions, such as low cost, etc., and also by offering what is unique to them as distinct from other business schools. As has been described previously, the uniqueness can be in term of curriculum. The curriculum that constitutes value proposition could be distinct in the pedagogy, architecture, brand identity, geographic consideration, and market demand.

To sustain the uniqueness of the curriculum offered, the strategy to be implemented must place those values as a foundation or anchor point (Figure 1). Values are the foundation for implementing a consistent and sustainable strategy (Drtina, Gilbert, & Alon, 2007). Therefore, when formulating a strategy, the values must become the focus, fit with the strategy and the strategy should prevent imitation from other business schools. The strategic initiatives developed must ensure the success of the education and the sustainability of uniqueness of the curriculum. Excellence in the areas of learning and teaching, research, internal operations as well as continuous improvement and innovation on the curricula must become the premise. Special attention must be given to faculty, curriculum, resources and quality/academic standards.

**Figure 1. Relationship between Strategy and Values**



First, faculty’s professionalism has to be developed, training offered, flow of information to faculty ensured and last but not least, faculty should be engaged in continuous improvement and innovation.

Second, the curriculum has to be reviewed, innovated, benchmarked to best practices or to other top business schools and regularly evaluated in order to maintain uniqueness.

Third, resources need to be allocated to support and encourage teaching and learning activities, and to maintain good relationship with students, faculty, staff, and alumni.

Last, quality/academic standard is to be enhanced through implementation of quality controls ensuring tighter compliance on academic standards that produce high

quality graduates. The standard must be consistent with the objectives to maintain the uniqueness possessed by the business school.

Finally all these initiatives must meet the Valuable, Rare, Inimitability, and Non-Substitutable (VRIN) criteria of uniqueness as a sustainable competitive advantage. Every stakeholder including faculty, students, and staff must be encouraged to manage all the initiatives.

## **Conclusion**

It is clear that now and in the following years, the environment in education and in business schools is changing rapidly, due to globalization and technological innovation/advances. This is in line with the world of business, which is becoming more dynamic, uncertain and globalized. Therefore to remain distinct, it is imperative that business schools manage their competitive advantage in light of the business challenges faced now and in the future.

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