

## COLUMN

# Changing with the times

Business education must transform in response to global business needs



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The MBA degree was born at the Tuck School of Business at Dartmouth 110 years ago with a four-student class. Now, there are hundreds of thousands of students enrolled in thousands of programmes around the world. The reason for this enduring appeal is simple – the demand by businesses for MBA graduates keeps increasing. As businesses grow in complexity and scope, they look for ethical, well-educated, creative leaders who are global in outlook, and the top MBA programmes have improved in the teaching of all these dimensions. Over the years, typical courses in major disciplinary fields have been added to coverage of ethics, societal impact, communication, government policy, teamwork, leadership and international exchanges.

Business education must continue to change in response to global business needs with the curriculum including subject matter that is dynamic, ever-changing and covering all aspects of human life. MBA programmes are examples of how higher education can adapt to the changing needs of students. The criticism that MBA programmes teach mostly narrow, overly-quantitative skills is not accurate. Today's MBA curricula are replete with coverage of the global contexts of business, its ethical and societal setting, its human element, its strategic and cultural dimensions, and much more.

The fact that MBA programmes provide a bridge from a career as a specialist such as auditor, programmer, engineer, or scientist to the more general business leadership positions, or from a career such as teaching or the arts to finance or marketing, is invaluable to many young people who desire a change in their careers. The proven ability of an MBA to help young professionals change the trajectory of their careers is at the foundation of the long-term value proposition of the degree.

In the wake of the financial crisis of the past two years, criticism has been made that business schools did not do enough to prepare ethical leaders. It is true that many MBA degree holders were involved at the highest levels of the banks and the regulatory bodies involved directly with the crisis; and many of those leaders did not fulfil their responsibilities as leaders. There is no doubt that the involved leaders would benefit from what is found in today's MBA programmes emphasising broad perspectives, depth of knowledge and an understanding of the human side of leadership.

The welfare of people depends on knowledgeable business leaders, who are skilled and who will

do the right thing for their company and for society. What we don't need are leaders who are overconfident and whose depth of understanding is shallow. Business education should help high-potential, experienced, young people grow into superior business leaders who are prepared to make a positive difference – leaders who are principled, knowledgeable, courageous and sensitive.

Teaching leadership is complex. The leader must learn to become acutely self-aware, which is tough. He/she must also learn to grasp the set of objectives and underlying workings of a given situation. Leadership skills and characteristics include integrity, intelligence, persuasion, experience, courage, persistence, creativity, knowledge, etc.

Leading a business today is complex as markets are global, interactive and multifaceted, with geographical and cultural dimensions that were only hinted at in the past. Today, a business leader must face unprecedented pressures from regulators, social activists, politicians, the media, special interest groups, etc. Given the scope of the business world, it is obvious that no business leader can know it all. Four years of college, two years of business school and 20 years of experience at the highest level did not inoculate finance leaders and regulators from making catastrophic mistakes leading up to the financial crisis. The ideal business education should strike a balance between obtaining the necessary breadth of academic coverage and developing the analytical mindset that comes from an understanding of the basis for theories and findings. In addition, a business leader must be self-aware and must have superior people skills.

The full-time MBA programmes offered by high-quality schools have the potential to form business leaders with the right characteristics to meet the challenges of the business environment. It is crucial, however, that the educational experience be of a very high quality, with ample access for students to thought-leading faculty, to alumni who bring in their practical experiences, and to a community of learners who support each other and share their knowledge. It is also necessary that the curriculum be integrated and rich, containing diverse learning and leadership opportunities.

Top B-schools strive to adapt to their students' and business world's needs and this has kept programmes fresh and relevant for 110 years. This explains why the appeal of the MBA degree continues to grow worldwide. ♦

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