

Over the last 40 years, variety in business schools has diminished considerably. Where once there stood a rich intellectual diversity, there now sits an intellectual conformity as a result of deans being seemingly content to achieve triple-accredited status and to scheme actively in the various rankings games.

Like an invisible hand, accreditation, rankings and other “institutional” pressures have squeezed the creative guts from critical aspects of the sector and left a residue of coalescence across many parts of the field. What happened?

From the late 1960s to the late 2000s, business schools appeared to be highly successful. Whether measured crudely by cash generation or by scholarliness, through the creation of a specific language, narrative and an eclectic approach to the study of management, their performance from a *de novo* start through a period of rapid growth seemed remarkable.

However, accusations of the complicity of business schools in the recent financial crisis led to intense criticism of them for embracing the “wrong” financial model; for straying away from the internal happenings of business organisations; and for embracing scientific rigour (“physics envy”) at the expense of business relevance.

As a result, popular cries of “moral failing” were laid at their expensive doors. Of course, business schools are not passive participants in this decline. There is evidence of recent re-invention as some make their teaching and research more applicable to wider society. Nevertheless, if more schools are to stay focused then an honest appraisal of the underlying pressures that caused this, hopefully temporary, aberration is essential.

At the root of the issue is the degree of autonomous choice that business school deans and university executives have over the trajectory of their business school and how much of that trajectory is determined by environmental forces beyond their control.

On the one hand, one can argue that executive management should have control over certain elements of curriculum design or major strategic issues. For example, if a strategy of high growth is chosen then the resultant size will determine the amount of specialisation in terms of numbers of departments, research centres, IT platforms and the expertise of faculty. Alternatively, the choice of a low-growth strategy will lead to a school that is different in capability, structure and focus.

On the other hand, business schools and their senior executives face a range of institutional pressures that have worked singly and interactively over recent decades to restrict considerably any autonomous executive choice.

### Isomorphism

Isomorphic pressures act as a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions. Pressures force organisations to adopt rule-like patterns of action and behaviour that become embedded in organisational structures and processes. The result is a set of homogeneous units behaving in more or less the same way. This isomorphism is a central tenet of institutional theory in sociology.

In the business school field, these pressures act over time to force schools to conform and, seemingly, look the same. There are three main isomorphic pressures: coercive, normative and mimetic.

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A close-up, high-angle photograph of a sheep's head, showing its ear with a yellow tag, its eye, and its nose. The sheep is looking towards the left. The background is a plain, light color.

# ***Pressures*** *to conform*

**Peter McKiernan** and **David Wilson** argue that business schools should stop copying each other and start rediscovering their diversity

## Coercive and normative pressures

Coercive pressures are exerted on dependent organisations by regulatory agencies. This is an influential pressure because of the power differential in a relationship that creates a dependency of one body on another.

For example, business school deans talk of the “power” that accrediting bodies have in specifying tight criteria that restrict their ability to make local alterations or adjustments. Whether this power is real or perceived, it exists across the field.

As one dean expressed it: “Professional accrediting bodies constrain the curricula most. But in fostering [a culture of] standardisation, we lose judgement, variety, reactivity and innovation”.

There can be little doubt that the main accrediting bodies (AACSB, AMBA and EQUIS) provide a rigorous quality-assurance process for the stakeholders of those schools whom they accredit. But they have attracted a fair degree of criticism, not least for the way in which their accreditation badges create and perpetuate an elite of “haves” and the poor relation of “have nots” (the vast majority of business schools) leading one academic to proclaim: “AACSB is like a group of foxes guarding the MBA hen-houses.”

Deans pay their foxes for protection under the accreditation badge and, ironically, pay in parallel for the loss of their strategic degrees of freedom.

Much of the criticism has been directed at AACSB for its general inflexibility and its lack of interest in anything that does not resemble an elite American business school. But the others share the isomorphic guilt.

For example, EQUIS, though more flexible in its approach than AACSB, stresses the need for internationalisation, close corporate connections and the existence of permanent teaching staff (despite network-based organisations being arguably more efficient and effective ways of organising knowledge workers).

AMBA’s pressures may be more restrictive still, focusing on student intake, recruitment, curriculum content and relevance and pressing the necessity of the teaching of ethics, creativity and innovation in a post-crisis world. Even if unintended, such pressures weigh heavily upon deans.

As well as accrediting bodies, business schools are subject to normative isomorphic pressures by two main types of ranking institutions: the ranking of schools and the ranking of research within them.

Both sets of rankings augment the audit society in which we operate with school rankings in Britain

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led by media outlets such *The Economist* and *Financial Times*; and the research rankings, led usually by government authorities keen to ration limited public research budgets.

Inevitably, most rankings produce performance tables, listing schools from top to bottom. We should treat these tables not as mere photographs of positions but as powerful engines.

Once the tables exist, they take on a new “life form” by defining the boundaries of a field, the players within it, the relationship between the players and then drive a whole set of competitive dynamics such as “game playing” by deans.

To be in the “top ten” (or whatever position is chosen) becomes a systemic part of a school’s mission statement, driving strategy, policy and behaviour. Outcomes are not always positive, as staff morale has been damaged seriously by religious adherence to the game.

School rankings force homogeneity in the system through knowledge exchange as followers mimic the strategy, structure and competencies of the leaders. For example, schools in Eastern Europe, India and China mimic top Western schools. Thus the league tables become a reified part of business school politics and strategy.

Research rankings also reinforce conformity between schools. Striving to be part of an exclusive elite club (top research rankings), business schools set up similar structures, including differential pay schemes for staff with strong research performance, incentives for top research output, high transfer fees for promising talent, the privileging of research over teaching in the allocation of workloads and promotional systems and, in a world where the book has given way to the peer-reviewed article, the slavish leaning on guides and lists.

In Britain, perhaps the most audited of all European academes, deans emphasise the expectation of a set of star articles from active research staff during any audit period.

This privileging of the article is embedded both cognitively and contractually, even among probationary staff, causing serious stress and job insecurity.

The publishing pressure in the system produces “more of the same” year after year, calling into question whether academics simply publish too much. Moreover, the unintended consequences of audit are often greater than those intended, leading to, for example, risk aversion in research questions, more theory replication, no big projects and the rearing of a generation marked by research conservatism rather than boldness.

**Mimetic pressures**

Copying among schools adds more pressure towards similarity, especially within curriculum design. The ability of business schools to raise revenues has made them a necessity for most university executives, including in such traditional settings as Oxford and Cambridge.

As mentioned, late entrants copy models they perceive to be successful and, invariably, add the ubiquitous MBA degree to the mix. This global offering has been heavily standardised over the decades such that good MBA lecturers can travel the world teaching at several institutions without serious alterations to their syllabus content and their power-point slides.

Further, explicit and sometimes implicit support for free-market economics in most business schools often permeates the curriculum to negate the teaching of alternative modes of organising.

“Although I don’t wholly agree with Henry Mintzberg’s assessment of MBAs as lop-sided critters with icy hearts, I do think the relative neglect of two-thirds of the economy (non-profits and the public sector) is a crushing criticism of many business schools today,” says one dean.

In addition, mimetic tendencies can be witnessed in the system of external examiners, moving between schools and striving to hold quality to a predefined standard (usually derived from their own institution) and the tendency to teach, and publish, in English.

Generally, such pressures cause the curriculum to be designed and taught in the same manner. This is reinforced by the expectations of accrediting bodies where, after the financial crisis, there were calls to add ethics, CSR and sustainability to all curricula (especially by AACSB). Such conformity means that key social issues (for example, a world where obesity and famine exist in parallel) and alternative organisational forms (communes, Amish, mafia, al Qaeda) go unobserved and not discussed by the wealth of talent within business schools.

“If you ask an MBA class of experienced managers what they consider to be important topics to discuss in class, they will often raise topics that are either rarely taught or not taught at all in business schools, [ranging] from ethics to questions of responsibility, accountability, the political economy, war and the role of governments ...so you get this mismatch between what is taught (largely through case studies of successful companies) and what is really wanted by the students,” says a deputy dean.

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**What to do?**

There are several responses to isomorphic pressures; acquiesce, compromise, avoid, manipulate and defy.

Many business schools simply acquiesce, accepting their fate is driven by such externalities. Others compromise, by tinkering with the curriculum, by adding CSR, ethics and sustainability. A handful avoid the pressures by making their schools the centre of strong disciplines such as economics, sociology, engineering, politics and medicine. Some will build powerful alliances with practitioners and manipulate the pressures.

However, we feel that a domain shift is required to strip schools of these pressures as much as possible and, hence, we argue for outright defiance in order to configure business schools better for the issues that society faces and that schools do not usually engage with.

We suggest three ways forward.

First, a formidable effort is needed by the institutional agencies that exert the pressures (accreditation and ranking bodies) to work more closely with both schools and academic societies such as BAM, EURAM, EGOS. There is a sense in which the recent co-operative strategic direction of EFMD might yield early results.

Second, schools should integrate more with cognate subjects in their own universities. Many mature business school scholars emerged from other disciplinary backgrounds but newer generations have been brought up “within” the field of management. A re-engagement with our roots might bear much fruit in research and teaching and keep curricula alive and pertinent.

Finally, narrow and conservative teaching and research foci (for example on how Apple or Hewlett-Packard “got it right”) should give away to an embracement of broader societal problems such as climate change and its effects, pre- and post-conflict societies, implications of a digital society, poverty and inequality, and non-capitalist ways of organising.

For sure, this redirection will not happen overnight. But small steps will yield a major survival story for the business schools of the next generation. The work has to start here and now. **gf**

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*The authors point out that this article refers to university-based business schools and their view is from a British standpoint.*