



# Impact: is it enough just to talk about it?

**Michel Kalika and Gordon Shenton** explain why business schools not only talk about impact but are learning how to make a better job of assessing it

**B**usiness schools refer more and more frequently to the issue of impact when defining their mission/vision/strategy. In 2018, out of the 55 schools to which AACSB and EFMD board members belong, 42 (76%) use the terms “impact” or “influence” in defining their core purpose. Why is the concept of impact so present in business schools’ current discourse?

We can put forward two major reasons. The first is the recurrent criticism that business schools are subjected to with regard to their legitimacy, particularly since the 2008 crisis. Giving prominence to their impact is one way of responding to this criticism.

The second corresponds to a paradigm change for business schools. For two long decades they had thrown themselves into a frantic race for international accreditation, which was the means for them to respond to the globalisation of the higher-education market and, of course, to improve the quality of their operations. Since the accreditation processes were aimed essentially at the way schools operate, on the organisation of their programmes and on the qualification of their faculty, the focus was primarily internal.

At present we are experiencing a paradigm shift for those schools, whose operations are now governed by international quality standards and by a growing concern for their contribution to external stakeholders in their home territory and in their home country.

The preoccupation with impact leads them to shift from a self-centred internal paradigm to a paradigm centred on business schools’ externalities.

Moreover, the accreditation bodies have taken this change on board, AACSB having established impact as one of the three pillars of its system and EQUIS having included the concepts of impact and influence in its standards and criteria framework.

This being the case, the business schools cannot allow themselves to merely mention their impact in passing. They must clearly identify it, justify it and measure it. But it is here that a delicate problem appears: the concept of impact is multifaceted and multidimensional, while interpretations are diverse and measurement is complex. Faced with this complexity we believe that, for a business school, talking about impact

entails answering three preliminary questions without which it will be hard to put something concrete behind the word and to get beyond the “impact washing” stage.

**Q1 The first question is “the impact of what?”**

Of course, we are talking about the business school as an undifferentiated whole that we need to define in terms of overall scope. But we must also determine for which of a school’s activities we want to assess the impact. Is it the impact of the educational process on young students, the impact of executive education on practising managers or the impact of research?

**Q2 The next question is “the impact on who?”**

Is it on people (young students or managers), on companies or more generally on organisations? Or are we looking at the impact of a school on society at large?

**Q3 Finally, when we talk about impact it is important to specify the impact zone involved: “the impact where?”**

Is it the local environment (a city or a region)? Or is it a national territory or even a transnational area?

By answering these three questions we clarify the business school impact that is under consideration. If we combine the three questions, which each have three non-exclusive response modes, we have a three-dimensional matrix (see Figure 1).

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Figure 1

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Now let's take three examples of tools that can help us to better understand a school's impact.

- BSIS, which was created by the FNEGE in France and developed by the EFMD as an international service for its members, is a tool for evaluating a business school's impact on its home territory within a framework of seven dimensions (financial, educational, business development, intellectual, network, CSR, image). BSIS is concerned with educational activities at the pre- and post-experience levels and with research mainly for companies and organisations. Its scope is mostly local or regional. The system has been used on more than 35 campuses.
- The M Index was designed to assess the intellectual impact of a research centre and aims at measuring the impact of its research output (Q1) on companies (Q2) within a national territory (Q3). The assessment grid is made up of 20 criteria that cover the four stages of a research process: 1) The initial definition of the research project; 2) the execution of the research project; 3) the dissemination of the outcomes; and 4) the practical implementation of the outcomes in companies and organisations.
- The impact of courses on CSR on young students (Q1) would also be worth evaluating in terms of opinions and behaviour. In order to measure the impact of these courses one could imagine a survey tool addressed to students when they enter the business school, when they leave it and three years after their entry into the world of work, regardless of their geographical origin (Q3).

It is clear from these examples that the “discourse only” stage can be left behind and that business schools can equip themselves with tools to measure or better identify their impact.

Finally, from our experience with BSIS on close to 40 campuses on three continents we can assert that the question of impact is far from being a simple question of communication (“impact washing”) but is above all a strategic issue.

Today many business schools are faced with two challenges of a strategic nature relating to impact.

The first challenge concerns the balance between local and global positioning. Many schools were created by and on a given territory in order to serve its need for trained managers to run its companies. In recent decades these same schools have centred their strategy on international development because of the globalisation of markets and accreditations.

The question of the balance between local impact and global impact is therefore squarely on the table and without any doubt business schools have an interest in showing their stakeholders that local impact is not opposed to global impact and that the latter often generates impact they were unaware of or had underestimated.

The second challenge lies in the balance between the academic and the managerial impact of research. Here the need to establish the recognition of management research alongside other scientific disciplines and the need to conform to accreditation criteria have pushed business schools to give preference to research that can be measured quantitatively by journal rankings, by their Impact Factor or by the H Index of the researchers. These publications certainly have an academic impact on the scientific community but their managerial impact on companies and organisations is limited.

We know that academic journals are not much read by managers. Moreover, since the incentives to publish rarely bear on the dissemination of their work, authors tend to direct their efforts towards





the production of research output rather than on the communication of their findings.

However, rising research costs cause stakeholders to question business school managers about the usefulness and managerial impact of this research. This being said, we do not believe that academic impact and managerial impact are mutually exclusive.

An increase in the managerial impact of research upon managers can be achieved in two ways. On the one hand greater efforts must be made to translate research outcomes (by which we mean make scientific publications comprehensible) and to communicate these outcomes (newsletters, conferences, articles in professional journals, videos and so on.). On the other hand, the managerial impact can be increased by encouraging action research or intervention research that have an immediate impact upon companies.

As we have just seen, measuring impact leads business schools to ask strategic questions regarding the positioning of their institution. It is important also to underline that the effort to better identify the external impact on companies and managers has an impact inside the business school itself.

Asking questions about impact is, of course, a good way to communicate with stakeholders, but it is also a way to create an impact culture among all staff whether they be in an administrative or a teaching and research function. BSIS has shown time and time again that it can be both a management tool and an instrument of change for business schools.

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