

Intentional Impact from Business Schools



Paul Beaulieu explains how, in response to a new wave of social demands, business schools should adopt a more comprehensive and responsible social engagement. This may pave the way for the emergence of a new generation of business schools

A new wave of social pressures and requests is infusing the higher-education *milieu*.

Around the world, societies are demanding a real social engagement from higher-education institutions. Inside most of societies around the world, key-stakeholders that are related to the future of higher education ask for a strategic realignment and active engagement of the HE's institutions. Business schools represent a very large part of every national higher education systems. These social requests for real impacts on societal advancement pave the way for an improvement of the social legitimacy of business schools. This new wave of social pressures becomes manifest through the HE's governance mechanisms, especially national councils for research, ministries responsible for higher education, and/or advisory councils composed of business school stakeholders.

This new upspring of interest in the development of social engagement and active participation in societal change resonates particularly inside business schools. In tandem with other evolving economic and societal developments, the debate concerning the roles and the specific missions of business schools has taken many turns during the course of the last two decades with the most critical juncture for this debate undoubtedly being the shockwave of the 2008 global financial crisis and a certain feeling of culpability it imposed within business school establishments, particularly in the US.

Beyond the traditional

The business schools sector is highly diversified in term of offer and context and these social demands aim for an active re-focusing of the mission of business schools into societal transformation. It also seeks an improved contribution in the field of the management of all types of enterprises. These desired changes go beyond the traditional provision of market-driven professional competencies and the traditional role of providing research findings to scientific

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research communities. Societies now want true intentional societal impact (ie purposeful change effects) and performance-based strategies for bringing about transformative evolution of social changes.

The business schools are clearly effective in managing and implementing the three traditional lines of business they have institutionalised: professional education and executive training; scientific research and publishing; and internal and external community participation.

But many still have difficulties in integrating and leveraging the results of these three elements. State governance bodies and financial mechanisms that provide oversight and funding for the higher education sector have already introduced accountability and impact norms that have generally been limited to proxy-indicators of performance; moreover, these have not been designed to measure real social transformations.

Much of the evaluation done by these institutions are more focused on the “compliance” end of the accountability continuum rather than the impact end; this has led to focuses on efficiency and effectiveness rather than impact and relevance.

The socio-political requests directed to business schools for targeted societal contributions and impacts are more involved and thought-out in terms of scope. They are also much more embedded in the social needs for transformative-capabilities development than they used to be.

These new capabilities are urgently required given the context of increasing scaling-up of global complexity due to major structuring effects generated through multidimensional and multinational challenges such as climate change, social inequalities, global population explosion, natural resources depletion, social exasperation about business social responsibilities and so on.



There is now an emerging consensus on the agenda's priority: business schools of all organisational configurations must care proactively for the future of humanity and for the societies they exist to serve.

Advocacy statements for societal impact

The call for a collective approach to generating expected impacts on society comes from all levels and domains of the higher-education and business school sector, including their key-stakeholders.

This call for a significant change in the nature and priority afforded to social engagement within these business schools goes much further than promotion or accountability related to its economic footprint (local and national) or its usual contributions to the myriad self-sustained scientific communities enclosed in the scientific field and distanced from management practice.

The following advocacy statements and propositions coming from key institutional stakeholders of the sector are representative and worth noting as "translators" of the scope of the desired change required from business schools:

The Academy of Management's (AOM) theme for its 2010 annual conference (*Dare to Care*) and most of its presidential addresses that followed voiced the necessity for collective action and responsible engagement and for the scholarly community to be more outwardly looking and involved in relevant social problems. The AOM formalised this intent in its key strategic objective statement for 2022: "Advancing the impact of management and organisation science on business and society worldwide".

The global initiative launched by the *Community for Responsible Research in Business and Management* and its manifesto *Horizon 2030* is explicitly "a call ... to action for directing research toward achieving humanity's highest aspirations".

The proposed change for the role of business school research is significant: responsible research for the advancement of humanity instead of a limited focus on the agent capabilities (individual managers or corporations).



In Europe, 20 years after the Bologna Declaration the *European Higher Education Area* is moving the strategic institutional focus of development from structural changes to fundamental values essential to the contribution of higher education to society.

In congruence with the *Magna Charta Universitatum* promulgated in 1988, the *Global Forum on Academic Freedom, Institutional Autonomy and Future of Democracy* held in June 2019 at the Council of Europe in Strasbourg reiterated what it recognised as the imperative core value of higher education: the freedom of intervention by academics and their institutions for the advancement of societies and the effectiveness of their social engagement.

Scholarship with impact is a recurrent thematic of the strategic conversation inside the scientific communities and managerial forums within the sector. Lead-scholars such as Andrew Pettigrew, Howard Thomas, Arnoud De Meyer, Peter McKiernan, Denise Rousseau, Jeffrey Pfeffer, Henry Mintzberg, Michel Kalika and Eric Cornuel (among many others) repeatedly argued the "unfulfilled promises" of management education and proposed new roles that should be performed by business schools in society.



2022

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Recurrent debates are ignited on this topic, leading many to posit that there is a shared apprehension that business schools and/or management studies have “lost their way”. In fact, this is seen as a translation into an acute institutional sense of erosion in legitimacy and social recognition.

The *social impact of research* is becoming another clear priority for state governing bodies and their dedicated agencies responsible for higher education, science and innovation policies. In 2022 the final report of the European Research Area Board of the European Commission called for a *New Renaissance for Innovating Europe out of the Crisis* in the sense of an “Innovation Union” for the advancement of societies.

The recent *Impact Pathways Guidelines* for mission-oriented research in Europe is again another explicit call for a more transformation-driven social sciences agenda in which business schools play an important role.

Since Ernest Boyer’s report (1990) for the Carnegie Foundation, the definition and the implementation of a diversity of types of legitimate scholarship is becoming an expanding reality. The movement for engaged-scholarship with society’s needs gained in recognition and penetration through academic practices.

In the business school sector we have seen the call for change coming from eminent scholars such as James March in the *Scholar’s Quest*, Donald Schön on the legitimacy of *Knowing-in-Action*, Andrew Van De Ven on *Engaged Scholarship* in organisational research and Denise Rousseau through the development of the international network dedicated to the development of *Evidence-Based Management* for the advancement of management practice effectiveness.

The *knowledge and scholarly communication* field and its processes are also engaged in a profound cycle of transformation and evolutionary changes. Open-edition is in progressive implementation and all kinds of

stakeholders are asking for a better access to knowledge. This is significantly contributing to a call for academic communities and institutions to better communicate the results of their investigations to society and not just into relatively “closed” scientific communities of peers.

The existential challenges that faces the printed media dedicated to knowledge opens a strategic learning opportunity for business schools to begin to transfer “disintermediated-knowledge” directly to communities of practice and to society generally.

Finally, *practice-turn* began to challenge the traditional academic isolation of scholarly contributions in the field of business. It has done this by raising the awareness of a specific area of knowledge’s logic and epistemology in both communities of practice and the real-life networks of context-based practices.

Front-runner in this direction are current initiatives dedicated to professional domains that define and frame doctoral studies and qualifications alongside a practice-based research epistemology and a practice-knowledge ecology.

In summary, the interest in the social impact of business schools and their activities is not new. This is an organic process and it will take time, experimentation and confrontation to mature into explicit and grounded formal appeals addressed to business schools.

But in the meantime, some of these schools will proactively realign their mission to address this new agenda of social contribution and intentional impact. Progressively we may observe the emergence of a new generation of business schools, strategically oriented to a new realisation of their institutional mission articulated on the intentional achievement of an “orchestrated portfolio” of actions geared toward desired societal impacts.

This means that those institutions will have to become “outwardly-centred” and more integrated to society, including to contextualised management practice.

This also requires a certain detachment from the traditional strategic paradigm of



mechanical market relations limited to traditional programme outputs (learning and/or research) as compared to intentional outcomes and social changes contributions.

Capabilities for social impact

As noted above, the intentional generation of societal impacts will require new capabilities of business schools and the development of a rigorous practice of strategic impact management.

The actual state of the conversation related to impact still needs to evolve. It will need to go through a series of basic development steps to gain in maturity and align on current best practice related to outcomes and contribution management and evaluation.

Briefly, the four “cornerstones”, that could contribute to the implementation of a reliable social impact management practice are:





- Improvement and clarification of the key concepts and the *framework of common understanding* as well as the methodologies related to intentional outcomes and impact management and evaluation. Outputs of existing programmes are not what we recognise as systemic and purposeful impacts within society.

Social impact related to mid-term and long-term social changes is clearly in the upstream of programme outputs. Social impacts refer to structuring-effects and changes induced into societal systems for social improvement.

Impact management is definitively a complex function and, for those who must succeed at it, a demanding field of practice. Existing experience, knowledge and methodologies of contribution and outcome analysis, programme-based theories of change management and utilisation-focused or principle-focused evaluation are already developed and practised in fields such as social intervention, development studies and evaluation sciences.

- Business schools will need to develop and implement *impact management processes, strategies and systems*. The EFMD-BSIS initiative "Business School Impact System" recognises and supports the implementation of an impact evaluation process. Even in reality a large part of organisational



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strategies is emergent, it will be good management practice to plan and formulate intentional impact strategies in partnership with key business school stakeholders.

- To accelerate the learning-curve of impact management we should actively encourage the *development of communities of research and practice* related to business schools' social impact. The AACSB and the EFMD are already performing a series of periodical activities focused on the sharing of experience in relation to impact of business schools. It should be complemented by a global community of research, strongly practice-oriented, that would be dedicated to impact management in the field of business.
- Sooner or later it will be appropriate to have some mechanisms and standards for the accreditation of the organisational processes and systems specific to the generation of impact claims. It will become a relative necessity in order to assure the validity, reliability and fidelity of the *quality of the impact's claims* publicised by diverse business schools.

Standards for information presentation, as we have seen from the *Global Reporting Initiative* in the field of corporate sustainable responsibility could be an example of the kind of standards developed for impact information. Strategic intentional social-impact management will definitively be an opportunity for business schools to differentiate themselves and their contributions to society. It will evidently become a development path and a proofing practice of responsible social engagement.

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