Does the DNA of Business Schools need to change?

Arnoud De Meyer argues for a new approach to meet new challenges – transforming business schools into 'Schools for Business'

The last ten years have been a golden era for business schools. But I am convinced we have reached a watershed.

Business schools were content with a narrow focus defined by traditional management disciplines. Our attitude was that we as business schools knew "what was good for you".

Is this model of education inadequate for the realities of today's global economy? Just look at the challenges and problems of the world today: the rash of violent uprisings in the Middle East threatening to bring down powerful strongholds; natural calamities rendering nations powerless; Wikileaks causing embarrassment to government leaders; and the ripple of financial catastrophes tearing institutions apart and exposing corporate malfeasance.

The causes, effects and consequences concern corporate governance and organisational management as much as political conflict, environmental sustainability and foreign diplomacy.

These challenges cannot be addressed by the traditional management disciplines alone. They require fresh eyes looking through multi-disciplinary lenses beyond just management. To do this effectively, business schools need to bring onboard scholars and experts in political science, sociology, nuclear physics, ethics and morality, technology, national security and engineering sciences.

It is becoming imperative for business schools to develop a body of research and teaching capabilities that are able to address the systemic problems of the world today in a holistic, inter-disciplinary way. The world of business, government and non-profits are increasingly calling upon experts in academia to find integrated solutions to their complex issues. This is the new challenge.

In *Business Schools on an Innovation Mission*, a report released by the Association to Advance Collegiate Schools of Business (AACSB) in May 2010, management and leadership were clearly positioned, side-by-side with science and technology, as vital components to the innovation value chain.

The report goes on to say that one aspect of innovation is for business schools to promote inter-disciplinary research by breaking down functional silos and disciplinary barriers in learning and research. I am in full agreement with this.

This brings me to my key message: business schools need to become "Schools for Business".

This is a paradigm shift for the world's business schools, a tipping point that can become a quantum leap if scholars and researchers are brave enough to break out of their comfort zones, combine their arsenal of expertise and confidently propose analysis, insights and solutions on a *smorgasbord* of issues that confront organisations across multiple disciplines.

Does this mean specialised, discipline-based research is no longer important? Absolutely not. Business schools still need to build up their core strengths in rigorous academic research in order to have the foundation to drive inter-disciplinary research and teaching.

Only then can they be of value and able to impart knowledge and skills to business leaders, helping them to advance their organisations, create positive social change and a better quality of life for their communities.

Over the last ten years, we at the Singapore Management University (SMU) have built up a body of high-quality, leading-edge research that is relevant and responsive to the needs of society, especially Asian issues with global impact.

At the same time, SMU has anchored itself in a distinctive brand of holistic, broad-based education aimed at producing creative and entrepreneurial leaders for the knowledge-based economy.

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The business world exists as an eco-system of business, government, NGOs and non-profits, each interlocking with the other. This is also why research has to be inter-disciplinary, to consider the impact across different stakeholders.

With six schools covering the spectrum of accountancy, business, economics, information systems, law and social sciences, SMU is able to integrate the necessary elements across different disciplines to help governments and businesses solve practical problems. Being young and not burdened by legacy, this has been SMU's advantage in building up inter-disciplinary research and education.

To be truly a "School for Business" it is also important to build strong relationships and strategic partnerships with the business world. In its short ten-year history, SMU has forged close ties with major industry stakeholders through internships, executive education, postgraduate studies, research centres and institutes, corporate social responsibility and philanthropic partnerships.

The university has held steadfast to its mission of integrating the two worlds of education and business, sharing the wealth of knowledge with the business world and bringing industry wisdom into the halls of academia.

SMU has 19 research centres and institutes that bridge academia and business. These were formed through partnerships and collaborations with leading business organisations and institutions. Tapping the pulse of the latest market trends, they carry out research on most current issues and share the outcomes with business leaders. I will just share a few examples.

The university's Sim Kee Boon Institute for Financial Economics is a specialised think-tank that carries out research across financial econometrics, the impact of ageing populations on retirement funds, corporate and investor responsibility, asset securitisation and management in Asia.

Last year, three SMU faculty from different disciplines – finance, economics and information systems – carried out a collaborated study of the "Flash Crash", which took place in New York on May 6, 2010. Sponsored by the Institute for Financial Markets in Washington DC, the study deployed complex system research to conduct a market simulation, understand the causes behind it and recommend possible interventions.

The Institute of Service Excellence is involved in a number of inter-disciplinary projects. The institute, which is rooted in marketing research and expertise in customer satisfaction benchmarking, has invited researchers in organisational behaviour and human resources to develop a new structural model to measure fair dealing in financial institutions when they conduct business with customers such as financial advisory services and selling investment products and services. The institute has also collaborated with faculty in information systems to study the relationship between IT innovations and

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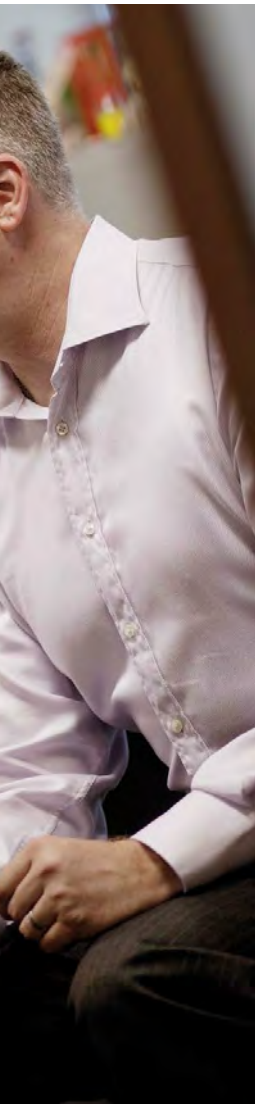
customer experience in large organisations. The SMU-Carnegie Mellon Living Analytics Research Centre, the newest addition to the slate of research centres and institutes, is in the middle of a study on social media by applying management science concepts to predict trust and relationships among members of the online community such as product reviewers on Epinions, and buyers and sellers over eBay. The study involves researchers in three distinct areas: information systems, sociology and organisational behaviour and human resources.

Moving on to teaching, we know that business schools (and their MBA programmes) are largely about leadership development. We are preparing graduates to take on leadership positions in the business world.



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Leadership has, however, evolved from the days of traditional "command and control" to today's collaborative leadership, which suits present business climates better. Leaders are now expected to have skills in collaboration, listening, influencing and flexible adaptation. How can business schools impart such qualities? One way is to ensure that students are well anchored in their area of expertise but also sufficiently exposed to wider disciplines outside their scope of specialisation.

SMU embraces this in our undergraduate curriculum. Every freshman takes a bundle of diverse courses as part of the University Core to develop essential skills in analytical and creative thinking, communication, leadership and teambuilding, ethics and social responsibility, and understanding the relationship between business, government and society in the context of world developments.

As they go on to specialise, a wide range of electives in the arts and sciences are available to broaden their perspectives and expose them to areas beyond their disciplines. These include courses in European languages, Shakespeare, film, dance, theatre, entertainment industries, environmental science, biotechnology and bio-entrepreneurship.

We believe a broad-based exposure makes students much more versatile, open-minded, people-sensitive and adept in real-world problem solving.

Inter-disciplinary teaching is helped, to a great extent, by having SMU's business school within a larger university for the world of business and management.

As businesses struggle to put in place measures to address gaps in governance and regulation in the wake of corporate scandals, universities can play a part by inculcating the right values through character building.

Universities are entrusted with the public duty of education. We contribute towards the greater good of the global economy and wider society by enriching, shaping and transforming students who will go on to make a difference in society. This is a role we need to discharge conscientiously. **gf**

ABOUT THE AUTHOR
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