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There’s No Crying in Classrooms

I’d guess all instructors remember the first time they stepped into a classroom, not as students but as teachers. I was a young grad student in English literature walking into my first section of freshman English composition. To prepare me for this day, the department had provided me with a book list, a sample syllabus, and a perfunctory afternoon seminar on teaching the course. Needless to say, I was terrified.

As I took my place at the front of the class to face 12 expectant 18-year-olds, one young man even asked aloud, “You’re the teacher?” (As any professor knows, that’s never a good sign.) I took roll, passed out my syllabus, and—I’m not kidding—promptly dissolved into tears. I ran from the room as my students stared after me in shock.

Somehow, I managed to go back for the next class. By the end of that semester, I had developed a rapport with my students; by my fifth year, I’d learned that I actually could teach. Even so, I know I could have done so much better with more preparation and support from the university.

I can only imagine the challenges facing today’s business professors, who must focus on more than teaching and scholarship. They also must promote their research, learn new technologies, work with corporate partners, and travel internationally. As if these pressures weren’t enough, business faculty in the Information Age must contend with feedback sites like RateMyProfessors.com, where an instructor’s every quirk and mannerism is fodder for online student reviews. Writ large in everlasting cyber-ink, professors can be deemed “brilliant” or “boring,” “approachable” or “arrogant.” I shudder to think what my online reviews would have been like after my first day of teaching: “Nice, but prone to hystericls. Beware.”

At a time when faculty face so much increased visibility and so many new responsibilities, it’s no wonder that they can use all the help their business schools can provide. In this issue’s article “Top Performers,” educators discuss what the most innovative faculty support programs include, from seminars to help professors hone their communication skills, to offices providing technological support, to programs that emphasize health and wellness. These educators believe that such efforts allow professors to fulfill their potential as teachers, researchers, and school ambassadors—and put business schools ahead of the curve.

After all, when professors are well-supported and well-equipped, they’re more likely to be engaged, productive, and passionate about what they do—not to mention less likely to have nervous breakdowns in their classrooms. I know that’s something sure to be appreciated by faculty, students, and administrators alike.
As businesses and business schools diversify, change is slowly coming to the top echelons of academia. One key trend is the increase in female business school deans. Women now make up 18 percent of the total, up from 12 percent in 2002, according to a survey that looks at the careers and characteristics of deans.

The study was sponsored by AACSB International and conducted in 2007 by Susan M. McTiernan, visiting associate professor of management at the University of New Haven in West Haven, Connecticut, and Patricia M. Flynn, trustee professor of economics and management at Bentley University in Waltham, Massachusetts. Of the 350 deans who responded to the survey, 84 percent were from the U.S. and 68 percent led private institutions.

Many survey results were devoted to assessing the differences between male and female deans. For instance, female deans are more likely than males to move into a dean’s position within their own institutions and to move from interim to full dean. They’re also more likely to have marketing degrees.

Real differences also center around more personal attributes. While 90 percent of all respondents are married, 9 percent of women deans are single and 8 percent are divorced—a sharp contrast to the 1 percent of male deans who are single and 4 percent who are divorced. Eighty-seven percent of female deans who are married have spouses working outside the home; that’s true for only 56 percent of married male deans. And while 75 percent of married female deans have children, only one-quarter of them have three or more children. By contrast, 88 percent of male deans are fathers, and nearly three-quarters of them have three or more children.

These findings are consistent with research that shows high-achieving corporate women tend to have fewer children and be married less often than their male counterparts. That trend was noted in Sylvia Ann Hewlett’s 2002 Harvard Business Review article, “Executive Women and the Myth of Having It All.”

Respondents have been in their current positions for an average of five years, which is similar to the 2002 findings. However, whereas 68 percent of the deans surveyed in 2002 were in their first deanships, this figure had risen to 81 percent by 2007.

Before assuming their first deanships, most deans establish strong publication records. On average, respondents had published 1.7 books, 16.4 refereed journal articles, 13.3 refereed proceedings, and

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Respondents raised an average of nearly $2.4 million for their schools in the 2005–2006 school year, a 66 percent increase over 2003–2004. While men raised appreciably more money than women did in recent years, women were much stronger fund raisers than men during 2003–2004.
Forty-eight percent of respondents were not actively looking for a dean’s position when the opportunity arose. More than half were promoted from within, and those in the largest group—22 percent—served as associate deans just prior to becoming deans. Other university jobs that led respondents to the deanship included academic department chair (17 percent), faculty member (15 percent), and interim dean (10 percent). Four percent were academic program directors, and only 2 percent moved from the assistant dean position into the dean’s office.

Outsiders also have their shot at the dean’s job. Nineteen percent of respondents had served as deans at other schools, while the majority (57 percent) of deans coming into the position from the associate dean’s job had changed institutions. Five percent came directly from business, most of them serving as presidents or CEOs.

These figures represent slight but notable changes in the path to deaning compared to 2002 results. In 2007, more people moved to the deanship after serving as associate deans at their current institutions or as deans at other schools, while fewer came from faculty positions or from business.

In many cases, the career path to dean is similar for men and women. However, more men (20 percent) than women (16 percent) served as deans at other schools prior to taking their current positions, which in part reflects the relatively small number of women who held deanships in the past. More striking are the numbers drawn from interim deanships. Seventeen percent of the female respondents advanced to the deanship while serving as interim deans; that was true for only 8 percent of the men.

Once assuming their positions, deans focus their attention on a few key areas. Respondents rated these tasks as “very important” or “important”: improving the school’s reputation (95 percent), improving educational programs (94 percent), achieving or maintaining AACSB accreditation (89 percent), improving external funding (78 percent), and improving faculty teaching (77 percent).

After their time in the dean’s office has ended, 40 percent of respondents plan to return to the faculty. A significant number aspire to higher academic posts, with 15 percent aiming for the position of university president and 6 percent for the provost’s job. An equal number—21 percent—plan to retire after stepping down as dean. For the remaining 18 percent? They’re still uncertain about what they might try next once they’ve finished deaning.

“The portrait of the business dean is changing,” write Flynn and McTiernan. “A key factor is the increasing share of deanships held by women, who possess some different characteristics and follow different career paths than male deans.” They consider it likely the trend will continue, bolstered by the significant increase in the number of women pursuing PhDs in business. According to the National Center for Education Statistics, the percentage of business doctorates being awarded to women rose from 26 percent in 1990–91 to 40 percent in 2004–05. During that same period, the percentage of business doctorates conferred for men declined by 2 percent.

“More generally, the growing share of business deans who have never been a dean before—now over 80 percent—calls for increased attention to the career development of deans,” the authors continue. “Such development could include programs and guidance on mentoring, fund raising, and faculty development, as well as an emphasis on succession planning for the top slot in our business schools.”
GMAC Addresses Cheating Scandal

The Graduate Management Admission Council of McLean, Virginia, has completed its investigation into last summer’s cheating scandal, in which the Web site Scoretop.com had been making “live” questions available to students who were about to take the GMAT. GMAC has canceled the scores of 84 test-takers. Of those, 12 posted live GMAT questions on the Scoretop Web site and will not be eligible to take the test again for a minimum of three years. The remaining 72 wrote messages on Scoretop confirming that they saw items from the site on their GMAT exam. The scores of these individuals were also canceled; however, they will be allowed to re-test. Schools that received test scores for these students also have received notification of GMAT’s action.

The Scoretop site was shut down in June, after the U.S. District Court for the Eastern District of Virginia issued a default judgment against Lei Shi and other Scoretop operators. The court awarded GMAC damages in the amount of $2.3 million, as well as attorneys’ fees, court costs, and other relief. GMAC also seized ownership of the Scoretop domain name and a computer hard drive.

“We take the action of canceling scores very seriously, with a full understanding of our ethical responsibility to protect the integrity of the test and the application process,” says David A. Wilson, GMAC president. He adds that decisions to cancel scores were based on an extensive analysis of data from the Scoretop Web site and GMAT registration and examination information.

Wilson also notes that, while GMAC is not actively expanding the scope of the investigation, it reserves the right to investigate any additional information it receives about a test-taker’s activities on Scoretop. Answers to other frequently asked questions can be found online at www.gmac.com/gmac/TheGMAT/Tools/FAQsScoretop.htm.

CSU Joins PhD Project

All 23 campuses in the California State University system have joined The PhD Project, an organization that supports African Americans, Hispanic Americans, and Native Americans who want to pursue doctoral degrees in business. Previously, five California state campuses were individually members of the organization.

“We are thrilled to have the California State University system involved with The PhD Project,” says Bernard J. Milano, president and trustee of the KPMG Foundation and president and member of the Board of Directors of The PhD Project Association. “This further demonstrates the extent to which the academic community and the private sector have come together to enhance the preparation of students for the society and workplace in which they will be living and working.”

The PhD Project anticipates that between 225 and 250 colleges and universities will join its network for the 2008–2009 academic year. That number is up from 212 in 2007–2008—and represents a significant jump from the 67 schools that participated in the project in 1994. That’s the year The PhD Project was founded by the KPMG Foundation, Citi Foundation, Graduate Management Admission Council, and AACSB International.

Bullish on B-School

An unsettled economy and uncertain work environment have combined to make today’s business school degree look very attractive. The Graduate Management Admission Council has released its annual study on trends in b-school applications, and the news is good: In 2008, 77 percent of schools surveyed saw increases in applications to their full-time programs. Applications to part-time and EMBA programs also went up, although not by as much. GMAC reports that this is the second-highest surge in applications since the organization began its survey in 2000.
**Duke Launches International Campuses**

Duke University’s Fuqua School of Business has embarked on an expansion plan that will establish a network of campuses around the world in New Delhi, India; St. Petersburg, Russia; Dubai, UAE; London, UK; Shanghai, China; and Duke’s U.S. campus in Durham, North Carolina. Each regional campus will support all Duke MBA programs and include Fuqua faculty, at least two research centers, open enrollment executive education, a Duke Corporate Education site or partnership, and service activities tied to local needs.

The leading activity across all campuses will be Duke’s Cross Continent MBA program, which launches in August 2009. The school also will partner with individuals, municipalities, and organizations in each region. Future plans call for participation from other Duke schools, including the Nicholas School of the Environment, the Duke Global Health Institute, and the Sanford Institute for Public Policy.

Fuqua Dean Blair Sheppard believes the global initiative signals a significant shift in business education, one that allows Fuqua to be “shaped and driven by the fundamental issues of our time.” He adds, “The depth of our activities in each location ensures we will become truly embedded in each region. By engaging with these regions through education and research, we will be able to examine the world’s opportunities and problems, explore interdependencies between regions, create solutions to address world issues, and prepare practitioners to be change agents and informed leaders.”

**Eileen Peacock Joins AACSB**

AACSB International has appointed Eileen Peacock as Vice President for Asia. Peacock currently serves as dean of the Charlton College of Business and professor of accounting at the University of Massachusetts Dartmouth. When she begins her new role in June 2009, Peacock will guide the association’s expansion efforts within Asia and will direct AACSB’s first headquarters outside of the U.S. She also will facilitate the development of a strong mentorship program focused on understanding and responding to the region’s specific issues and challenges.

“Today the Asian region hosts more than 4,300 institutions that offer business degrees, and more than 1,600 offer an MBA,” says John Fernandes, AACSB’s president and CEO. “Recognizing our robust global standards, continuous improvement focus, and supporting services, many Asian schools have turned to AACSB to meet their development, networking, and global quality assurance needs.”

Currently Peacock is a member of the AACSB International Board of Directors and serves on the Initial Accreditation Committee. She serves as a member of accreditation teams and works as accreditation mentor to many schools and accounting programs.

**Honors for BizEd**

BizEd magazine recently won three prizes in the Charlie Awards competition sponsored by the Florida Magazine Association. In the category of Best Special Theme or Show Issue, BizEd won a Charlie Award—equivalent to a gold medal—for its January 2008 issue, which focused on classroom technology. BizEd was entered in the Association & Trade magazine division.


The awards were handed out in August at the FMA’s Annual Publishing Conference & Exposition. Judges selected winners from more than 900 entries submitted by Florida-based publications.
**SHORT TAKES**

**NEW APPOINTMENTS**

- **Kurt Kirstein** has been named dean of the School of Management at City University of Seattle in Washington. He has been serving as interim dean since late 2007.

- **Jan Williams**, dean of the College of Business Administration at the University of Tennessee, Knoxville, has been awarded the inaugural Stokely Foundation Leadership Chair. The first endowed dean’s chair on campus, it was endowed by the William B. Stokely Jr. Foundation.

- **Anita McGahan** will be the inaugural holder of the Rotman Chair in Management at the University of Toronto’s Rotman School of Management in Canada.

- **Michael Lenox** has been named the new executive director of the Batten Institute, a Center of Excellence for entrepreneurship and innovation at the University of Virginia’s Darden School of Business in Charlottesville.

- **Kimberly Taylor** has been named the Macy’s Retailing Professorship at Florida International University’s College of Business Administration in Miami for a three-year period.

- **Judith H. Washburn**, associate professor of marketing at The University of Tampa in Florida, has been named director of the MBA program within the John H. Sykes College of Business.

- **C.F. Simons**, a scholar in real estate finance and economics, has joined Florida State University’s College of Business in Tallahassee as the J. Harold and Barbara M. Chastain Eminent Scholar in Real Estate.

- Former airline executive **Dave Patterson** has joined the University of Tennessee, Knoxville, as executive director of the newly formed National Defense Business Institute (NDBI) within the school’s Center for Executive Education. NDBI is focused on helping the Department of Defense, other government agencies, and the defense industry improve their acquisition and business management programs.

- Two new appointments have been announced at the Farmer School of Business at Miami University in Oxford, Ohio. **Thomas W. Speh**, a member of the faculty for 32 years, has been named associate director of MBA programs. **Lisa Ellram** has been named the James Evans Rees Distinguished Professor of Distribution.

- **Eswar Prasad** has been appointed senior fellow of the Brookings Institution and research associate at the National Bureau of Economic Research. Prasad is the Nandlal P. Tolani Senior Professor of Trade Policy in the department of applied economics and management, home to the undergraduate business program at Cornell University in Ithaca, New York.

**HONORS AND AWARDS**

- **Peter Kaufman** was the 2008 winner of the Prentice Hall’s Solomon-Marshall-Stuart Award for Innovative Excellence in Marketing Education. Kaufman is assistant professor of marketing at Illinois State University in Normal. The award is given annually by the American Marketing Association Teaching and Learning Special Interest Group, with sponsorship by Prentice Hall.

- **Victoria L. Crittenden**, chair of the MBA Core Faculty at Boston College, and **O.C. Ferrell**, professor of marketing at the University of New Mexico in Albuquerque, were honored as 2008 Distinguished Fellows of the Academy of Marketing Science.

**GIFTS AND DONATIONS**

- **Ramapo College** of New Jersey announced a $3 million gift from Richard and Millicent Anisfield to the Anisfield School of Business, bringing the total amount they have donated to the school to $6 million. The money will be used to complete the fifth floor of the new school of business, which opened in fall 2007. The money also will support future programs at the school. In addition, the college has established the Sabrin Center for Business Excellence with the aid of a $250,000 gift from Murray Sabrin, a professor of finance and executive director of the college’s Center for Business and Public Policy, and his wife, Florence.
Headlines

SHORT TAKES

- **North Carolina State University** in Raleigh has received a $2.2 million gift commitment from the Caterpillar Foundation and James E. Owens, the company’s chairman and CEO. The gift will establish the Owens Distinguished Professorship of Supply Chain Management at the university’s College of Management, as well as student scholarships. In addition, the gift will support the development of interdisciplinary supply chain management programs with the Edward P. Fitts Department of Industrial and Systems Engineering in the College of Engineering and fund a dedicated space for the Supply Chain Resource Cooperative.

- The College of Business at **Florida State University** in Tallahassee has received a $1.8 million gift for its Jim Moran Institute for Global Entrepreneurship. The donation was given by Jan Moran, JM Family Enterprises Inc., and The Jim Moran Foundation. The gift will help FSU build an undergraduate entrepreneurship major and expand training programs into South Florida with a special focus on disadvantaged populations.

NEW PROGRAMS

- **Thunderbird School of Global Management** in Glendale, Arizona, has launched “Doing Business in India,” a comprehensive online certificate program. The four-week program is aimed at working professionals who want to operate effectively within India’s business, political, and cultural environment. The program helps participants build their cultural competence, create successful business partnerships, manage sustainable joint ventures, and develop strategic insight. The first program launched September 1.

- **Brandeis International Business School** in Waltham, Massachusetts, has announced an MBA in Socially Responsible Business. The new MBA allows students to incorporate economic and social development, corporate governance, and environmental policy into their business studies. Tightly integrated with existing core courses, the MBA in Socially Responsible Business will include a seminar exploring what “green” means in different contexts, a field project, and specialized courses on the corporation’s role in building communities and protecting the environment.

- **City University of Seattle** in Washington has launched an EMBA in Global Leadership, an accelerated 18-month program that combines weekend intensives with online courses. CityU developed the program after surveying employers in the U.S., Europe, and China to determine what skills multinational organizations require for individuals in management positions. Classes began in fall 2008.

- **Columbia Business School** in New York City has launched the Columbia Community Business Program, designed to support the development of businesses and not-for-profit organizations in Upper Manhattan. Program benefits include on-site meetings with seasoned business coaches; instruction from Columbia faculty; and access to students from Columbia Business School, The Fu Foundation of Engineering and Applied Science, and Columbia Law School’s Nonprofit Organizations/Small Business Clinic.

- **Drexel University** will offer a series of master’s degrees, including an MBA, at its new Center for Graduate Studies in Sacramento, California. Drexel’s primary campus is in Philadelphia, Pennsylvania. Each program will blend face-to-face classes and online learning.

- This fall, the **University of Miami School of Business** in Florida began offering new programs in health care management. The new undergraduate minor, Health Sector Management and Policy, will provide students with an understanding of the management, economics, and financial structure of the healthcare industry. The joint MD/MBA degree program, conducted in partnership with the university’s Miller School of Medicine, will train future physicians to manage the complexities of running a private practice; it also will prepare medical students for management careers in the healthcare field. The joint MD/MBA program will add an additional year to the four-year medical school curriculum.

- The Max M. Fisher College of Business at **The Ohio State University** in Columbus has developed a one-year master’s degree program in lean enterprise and continuous improvement. The Master of Business Operational Excellence (MBOE), which is offered through Fisher’s executive
education programs, includes a capstone project that requires students to implement a process improvement plan within their individual organizations.

- This fall, the University of Washington Bothell will offer for the first time an Option in Accounting for undergraduate business majors.

COLLABORATIONS

- Grenoble Ecole de Management in France has signed a partnership with the Management Development Institute in New Delhi, India. It will involve student and faculty exchanges and joint executive education programs.

- The Lally School of Management & Technology at Rensselaer Polytechnic Institute in Troy, New York, has signed a five-year agreement with the School of Management at Zhejiang University in Hangzhou, China. The agreement, which formally launches in November, links the Entrepreneurial Research Center of Zhejiang and the Severino Center for Technological Entrepreneurship of the Lally School. In addition to programs that facilitate student and faculty exchanges, key initiatives will include joint faculty research, delivery of a virtual curriculum across the two institutions, and jointly designed and delivered executive programs on innovation and corporate entrepreneurship.

OTHER NEWS

- Nicole Woolsey Biggart, dean of the Graduate School of Management at the University of California, Davis, will step down next July. Biggart, who has served as dean since July 2003, will complete a yearlong sabbatical before returning to full-time teaching and research. A national search for a new dean will begin immediately.

- AACSB International has established an endowment fund at the University of Tampa in memory of Anne Graham, former executive vice president and chief operating officer of the association and former executive editor of BizEd. The Anne Graham Memorial Scholarship will annually recognize a communications student who has a passion for journalism and writing. AACSB has provided an initial donation as seed money and is raising funds to support a self-sustaining endowment. Contributions to the fund will be accepted at AACSB International, Attn: Anne Graham Memorial Scholarship, 777 South Harbour Island Blvd., Suite 750, Tampa, Florida 33602. Information about making an ongoing pledge can be found online at aacsb.edu/annegraham/donate.asp.

- Georgia State University’s J. Mack Robinson College of Business in Atlanta has announced it will create a Center for the Economic Analysis of Risk (CEAR). The center will be developed by Robinson’s risk management and insurance department, the Federal Reserve Bank of Atlanta, Georgia State’s Andrew Young School of Policy Studies, and several other departments at Robinson. An initial $1.4 million in funding will be generated through Georgia State’s internal “Areas of Focus” program. CEAR is planned to be a virtual organization with an international network of 100 economists and other researchers from the fields of mathematical finance, computational methods, corporate finance, and macroeconomics.

- The business school at Imperial College London is changing its name from Tanaka Business School to Imperial College Business School. The school opted to make the change after research suggested that many respondents were unaware that the school was part of Imperial. The name of benefactor Gary Tanaka will continue to be associated with the institution as the school’s facility will be called the Tanaka Building.

- The Aspen Institute Center for Business Education in New York has published its first guidebook for prospective MBA students. The Aspen Institute Guide to Socially Responsible MBA Programs 2008–2009 allows prospective MBA students to compare 130 MBA programs based on how they integrate environmental issues into their courses, faculty research, degree programs, student activities, and on-campus institutes. Each program receives a two-page profile that includes a brief summary denoting whether Aspen considers the program “good,” “excellent,” or “truly extraordinary.” The book is available primarily as an electronic download from Berrett-Koehler Publishers at www.bkconnection.com. Print versions are also available from Berrett-Koehler or Amazon.com.
The Umsobomvu Youth Fund is dedicated to funding and supporting small businesses for South Africa’s impoverished younger generation. Malose Kekana runs the Fund—and nourishes big dreams.
When people work at a nonprofit, they can’t be thinking about themselves and what they’re going to get. The objective has to be the bigger goal—what they want to see achieved in terms of their work.

“I had the privilege of working at the highest levels of banking,” Kekana says. “Now I have the opportunity to give back to this country as well. In South Africa, we fought for this government and for freedom. If those of us who have some skills don’t play a role to make sure we are a strong democracy, then who else can be expected to?”

He offers alarming statistics. “In South Africa, 20 to 26 percent of our population is unemployed. Close to 50 percent of our young people are unemployed. Four million young people are unemployed.”

The Umsobomvu Youth Fund, which is based in Johannesburg, aims to reverse those trends through a wide range of services. UYF’s Youth Advisory Centres—which are set up mostly in rural areas, but some urban settings as well—are walk-in centers that offer basic financial information and counseling to young people. Various training programs focus on teaching life skills and job skills, promoting entrepreneurship, and helping individuals move from school environments to work environments. The UYF also provides microfinance loans of between 1,000 to 100,000 rand (about US$130 to $13,000) to young entrepreneurs. In addition, the Fund provides expansion loans to SMEs in amounts close to $1 million in U.S. dollars.

Kekana recently participated in “Africa Emergent,” an Alumni Forum put on by Wharton in Cape Town. There, he spoke about the work the UYF has done and heard reports about the relevant work of Wharton grads. “We learned a lot about how MBA students have taken an interest in making a profit from development,” he says. “And that was very encouraging.”

Even so, Kekana believes that South Africa is “far, far, far from the promised land” when it comes to bringing economic stability to South Africa’s young, poor, and black. He hopes that Umsobomvu—which means “rising dawn” in the Nguni language—will indeed bring a new day to South Africa. But he knows it will take the combined efforts of the government, the political sector, businesspeople, and business schools to truly develop the vast potential of South Africa.

Surveys of business students indicate that many of them want to help the world. However, often they aren’t sure if they have the skills to run nonprofits, and many are concerned about losing momentum in their careers. What would you tell them about giving up a lucrative career for one that’s closer to their hearts?

I left private equity to come into a field where I had no experience. As much as I’ve given to the Fund, I have learned more from it. So the first thing students should know is that they will learn so much more in such a setting than they would in a traditional corporate environment. One reason is that they do a lot more at a nonprofit than they would in a Fortune 500 company with 20,000 people. Here, when there’s work that is normally done by four or five or six people, they’ll be doing it all alone.

The second thing is, they can’t be thinking about themselves and what they’re going to get. The objective has to be the bigger goal—what they want to see achieved in terms of their work. If they acted only from narrow self-interest, many people wouldn’t do what we currently do.

If you were at a business school, teaching a class to students who were interested in working in a developing nation, what would you want them to learn from you?
These young entrepreneurs don’t come from backgrounds where they’re sitting around the dinner table with their parents, talking about business plans. I would teach them that poor communities are facing similar challenges across the globe. Because these people lack a number of resources, they require more than one solution.

First, they lack financial capital, the financial resources to move from one place to another. Second, they lack social capital, the ability to build networks and relationships.

Third, they need human capital, the skills, knowledge, and ability to work. If you give people $20,000 and say, “Produce a widget,” you are making the assumption that they have the capacity and intellectual skills to actually make that widget. But many people lack that human capital.

The fourth thing people lack is physical capital. If you’re purchasing goods but you don’t have anywhere to store them, you’re lacking the right structure.

One thing that people in rural areas often do have is natural capital—which could be land, or water, or minerals—but it’s not recognized or recorded, and so they can’t use it as capital. That’s something else I would say to students. How do you convert natural capital into financial capital so people can live off it?

If you’re doing business in a developing country, you have to think about all these factors! At the same time, you have to navigate the political sector. In many developing countries, the legal system is not clear and transparent. In some situations, to get a license, you must pay a bribe.

I would say to students, if you want to do business with or in a developing country, you must contend with all these issues. It’s not like doing business in the U.S., where you can download how-to stuff on your iPhone. You’re going to have to deal with all of these issues, and it might take time, so you have to be motivated to stick it out.

Some people say that we’re spoon feeding these young entrepreneurs, but the reality is that they don’t come from backgrounds where they’re sitting around the dinner table with their parents, talking about business plans. Most of them are the first generation of people who can take advantage of opportunities. It takes so much for them to move from one door to another. That’s where people get lost. We need to provide consistent long-term investment in young people to help them navigate the future.

Specifically, what kind of help does the UYF offer to South Africa’s young people?

We help about 20,000 entrepreneurs every year with our business support programs. We make about 21,000 loans every year. We help people start businesses. We are one of the largest organizations in the world in terms of the impact we have on young people.

That’s the tangible help we provide, and that’s kind of like hardware. We also provide something more like software. We give people hope and the belief that they can achieve something.

We come from a past where people were not even allowed to dream. Discrimination and oppression kill a person’s sense of self-belief. They kill people’s desire to try to do something because they know there’s so much against them. Today, young people know that, because of the Fund, somebody is prepared to give them a chance. They can say, “Even if my application is rejected, at least there is a door I can enter. At least someone is prepared to listen to me.”

We see about half a million people every year in our Youth Advisory Centres. But we don’t just give them funding and training. We restore a sense of hope.

How do you foster microfinance in South Africa through your Youth Entrepreneurship Programme?

We have two strategies, really. One is that we work with other microfinance institutions, especially grass-roots rural institutions that have been doing good work for a number of years. Instead of displacing them, we support them. We operate almost like a wholesaler, giving them money so they can extend funding.

In other areas of the country, we have our own offices that provide both microfinance funding and business support. For example, we help entrepreneurs write business plans and find mentors. We link them up with supply chain opportunities and help them with procurement issues. Businesses often fail because of the lack of business support, so we give them that in addition to funding.
You mentioned how important it is to provide business skills to young entrepreneurs. How do you teach those skills? What other business support do you offer?

We have 300 to 400 paid consultants who work with young people who need business help. For example, if someone wants a Web site for his business but he doesn’t have IT skills, we will bring in a consultant. We have predetermined the cost of the support the consultant gives. If a Web site costs $1,000, we subsidize 95 percent, and 5 percent comes from the entrepreneur.

Consultants also work with entrepreneurs to write business plans. We don’t write the business plan for them, but we tell them, “You need a visibility study,” and we point them in the right direction. By doing the work under a consultant’s supervision, they gain practical experience.

We also have training programs where young people come into class every day for six months. But that program only reaches a few people, about 1,000 a year.

Does UYF partner with local business schools to reach more people or achieve any of its goals?

We don’t. One problem is that many business schools don’t see the kind of work we do as core to the education of their students. It’s something extra. Schools might have an NGO elective course, but it’s not something they want to add to the requirements of an MBA degree. We have commissioned South African business schools to produce research for us and evaluate our programs.

Some scholars suggest that South African business schools have a mandate to produce more graduates who can help the country address its most serious problems in areas such as health and poverty. What do you think South African business schools should be doing to produce the kind of graduates the country needs?

Many South African universities are still struggling with how they can be relevant in our country. Our universities are trying to be like Harvard and Wharton, but those schools are great because they’re in developed countries. Our president has made the call to our schools, saying, “What does it mean to be a South African university? What distinguishes you?”

There’s another ingredient that’s missing. The average students are dreaming about going to work for a company. They aren’t thinking, “What am I going to do to improve South Africa’s economy, status, and development objectives?”

What do you think it will take for UYF to add that “missing ingredient”? What would you like to see the organization accomplish by the year 2020?

First, I would like to see the Fund in the whole of Africa. We’ve been invited to help develop a fund in Dubai that does what we do. We’d like to go into more developing nations to share our knowledge and also learn from what they do.

Second, I’d like to scale our programs. I want us to do five times what we’re doing today. I’m unhappy that we do 21,000 loans a year. I want to do 100,000 to 200,000 loans a year. I don’t think it’s impossible.

I would like to see the Fund be an anchor of development for large-scale initiatives. I’d like to make sure that, in every town where a young person says, “I want to start my own business, I want access to training,” we are there for them. It would be just like walking into a bank to open an account. That’s a level of investment we need to make in people if we want to create a better future. But today,
governments spend more money on buying weapons than they do on developing their people. It doesn’t make sense. Someone once said, where there’s peace, a thousand flowers bloom. I say, if people are engaged in peaceful initiatives for their own development and their own livelihoods, they will not use their energies to make a negative impact on the world. If you don’t want young people involved in drugs, build more community centers. This is true not just for South Africa’s young people, but for the young people of the world. It’s the shame of the G8 members that they put more money in mining than in people.

Some people believe that you should invest 10 percent to 20 percent of the profit you make in the country where you’re doing business. But other people are concerned about giving back even .5 percent to 1 percent—and yet they want to sustain their markets. It doesn’t make sense.

Assuming that big businesses do begin investing in their communities, how would you envision the role of UYF?

My vision is that, in 2020, when companies say, “We’re ready to make a 5 percent or 10 percent or 20 percent commitment,” the Fund will be there. We will be the lever, we will be the institution that does the practical work. It’s not good to have all that money unless you have the solutions and programs and products that use the money efficiently. That has been the criticism governments have made most often about development organizations—that some of them throw money at bad programs. I want to be one of the institutions where people can say, “If you give these guys a million dollars, they’re not going to spend it unwisely. They will get it to the ground.” And I want us to be one of the biggest players in the world.

A multinational corporation in India just gave us five million rand, and we are matching it one-on-one to invest in microfinance. A life insurance company in Africa gave us half a million rand. We’re matching it rand for rand and investing it in women and youth enterprise. By 2020, we want to attract close to $100 million per annum and put it in development.

By the same year, where do you think you will be in your own career?

I might not necessarily be with the Fund, but I will be involved in development in some way. I might want to be involved in development financing at the private sector level. For example, big companies like Wal-Mart are displacing small retailers. I want to help small retailers procure the goods, services, and technology that will help them compete with big organizations—and make money. I want to link the profit element with the social element.

In 2020, I want to be doing what I’m doing now, but at the private level. This isn’t a job, it’s a cause.
Top Performers

by Tricia Bisoux

A business school’s professors are the lifeblood of its educational programs and scholarly productivity. However, today’s business professors do more than teach and conduct research. They also mentor, consult, talk with media, attend conferences, complete paperwork, head committees, champion initiatives, and travel. Amidst all this activity, they also must reserve enough energy to build lives outside the business school.

But how can schools help their professors juggle such diverse responsibilities, cultivating and fostering their talents while building on their strengths? More administrators are grappling with this question as they realize the importance of developing the right mix of faculty with the right mix of talent, says Stephen Stumpf of the Villanova School of Business in Pennsylvania.

“More schools are starting to adopt a portfolio model for their faculty,” says Stumpf, a professor of management and operations at Villanova and the business school’s former dean. Such a portfolio, he explains, can include academically qualified faculty, professionally qualified faculty, and adjuncts whose teaching and research loads vary according to their skill sets. “Under this model, faculty development is more about managing your portfolio of professors to accomplish the level of teaching that you want.”

Many faculty members, too, are looking for new ways to enhance their skill sets, says Kathleen Sutcliffe, the associate dean for faculty development and research at the University of Michigan’s Ross School of Business in Ann Arbor. “Professors are much more interested in how they make material applicable to real-world situations,” she says. “Their roles have expanded, and they now see themselves more as mentors, collaborators, and co-creators of the learning experience. They want to connect to students, to develop true learners rather than just masters of the material.”

To help faculty members fulfill their potential inside and outside the classroom, Stumpf, Sutcliffe, and other educators suggest that business schools make faculty development an essential part of their strategic planning. They outline eight key areas where business schools can get the most return on their investment in their professors’ talents and potential.
1. Treat Teachers as Learners

Most faculty members can benefit from learning new approaches to teaching, whether they’ve taught for one year or ten years, says Stefano Gatti, the director of the International Teachers Programme (ITP) at SDA Bocconi in Milan, Italy. By creating opportunities for its professors to update their teaching techniques, a business school can enhance student learning, improve programs, and inject new ideas into the classroom. “A school may have strong researchers on its faculty, but that alone won’t take a school’s programs to the next level,” Gatti says. “To develop top MBA and executive programs, a school also must have talented teachers.”

Training faculty to communicate more effectively is a prominent part of ITP, says Gatti. Teachers who can create synergistic relationships between business concepts and real-world business problems can make substantial and lasting contributions to the quality and visibility of a school’s programs, he says. “A good teacher can transmit these concepts much more effectively than someone who is a pure theorist,” he says.

Gatti learned that lesson firsthand as a participant in the ITP in 2003. Until then, he had been using a lecture format in his investment banking course—he gave students clear direction, but he did not actively invite their participation. In the ITP, he learned new communication and lecture techniques, which led him to “radically modify” his approach to teaching. He now brings articles from the morning’s newspaper to class and asks students to read the articles, exchange ideas, and contribute to a larger discussion.

Gatti’s students now tell him they don’t just enjoy his classes more—they also learn more. “I wasn’t accustomed to using such active learning techniques,” he says. “My interactions with my students are now much more fluid and participatory.”

Schools can provide a range of opportunities to help faculty update and improve their teaching techniques, including off-site workshops, field trips, and conferences, as well as on-campus seminars and mentoring programs. For example, the Ross School encourages faculty to invite master teachers to observe them in their classrooms and offer constructive feedback on their methods and delivery. The school also hosts a series of two-day teaching seminars where professors discuss best practices with teaching specialists, says Sutcliffe.

“I recently arranged a workshop for faculty that will explore biases and examine how we can open our minds to new information,” she says. “These seminars are designed to help even our best faculty learn how to teach better and stay at the top of their games.”

2. Design New Experiences

Many business schools are requiring students to travel to different countries and experience other cultures. It’s becoming just as important for faculty to go beyond their comfort zones and broaden their own perspectives through global travel, says Sutcliffe. To that end, the Ross School is sending 13 faculty members to China. Before they leave, they will engage in a number of learning activities; while in China, they will meet with corporate executives and government policymakers. If the experience goes well, says Sutcliffe, the school will continue to coordinate overseas field trips for faculty in the future.

At many schools, it’s just as essential that faculty obtain firsthand experience of different corporate cultures, says Earl Simendinger, a professor of management at the University of Tampa’s Sykes School of Business in Florida and a presenter at AACSB seminars on teaching effectiveness. He advocates “practitioner sabbaticals” that give faculty time off to consult. “Some universities discourage consulting, but I think that’s a big mistake,” he says. “We should actually encourage teachers to consult, because they’ll be better professors if they do what they teach.” Moreover, he adds, they can bring their real-world experiences directly into the classroom.

If consulting is not an option, Gatti suggests that schools invite faculty members to assume administrative roles at the institution itself. It’s ironic for a professor with no management experience to teach the practice of management, Gatti argues. “By exposing their faculty to the real management of an institution,” he says, “business schools can contribute to their faculty’s professional development.”

More open-ended sabbaticals also can be an important part of a faculty development plan, says Sutcliffe. The Ross School, for example, offers sabbaticals to faculty who have been employed at the school for at least six years. In return, the school reaps the benefits of professors who come back to campus re-energized. “We encourage faculty to use a sabbatical as a time to retool their skills, pursue new kinds of learning, and conduct their research projects,” she says. “We want to give them the chance to reflect on what brings them energy and excitement.”

3. Create a Strong Portfolio

To develop a strong faculty, business schools must consider carefully the mix of talents and contributions they need from their faculty members to achieve their missions, says Stumpt of Villanova. Few professors are equally adept teachers and scholars, he argues. More often, they are one or the other—or a little bit of both. “The portfolio model sees faculty as scholars, teacher-scholars, scholar-teachers, or teachers,” says
A Week in the Life of a Business Professor

In the past, when business professors weren’t in the classroom, they most likely spent the day barricaded behind their office doors working on their latest research projects. Today, say faculty development experts, business professors must address a wider array of responsibilities. As a result, a week in their lives might look quite different:

**November 7:00 a.m. – Take yoga class to renew energy and prepare to face the week ahead.**

9:00 a.m. to 1:00 p.m. – Work on research at home.

**Monday 2:00 p.m. – Visit with a corporate partner regarding a consulting project that could make an interesting case study. “Academically qualified faculty members should be as up-to-date as possible with findings, both theoretical and empirical, in their fields,” says Frank Navratil of John Carroll University. “They should look for opportunities to interact with practitioners who can show how academic theories and principles are being implemented in the business world.”

**Tuesday 8:30 a.m. – Check the daily news to clip articles relevant to that afternoon’s MBA class. “Faculty need to dedicate a reasonable part of their day to reading newspapers and staying updated on what’s taking place outside their offices,” says Stefano Gatti of SDA Bocconi.**

**Monday 11:00 a.m. – Meet with technical assistant to set up student response system for that afternoon’s MBA course. “Technological support gives faculty a step up to integrate tools that can improve their classes,” says Earl Simendinger of the University of Tampa.**

**Tuesday 1:00 p.m. – Teach MBA course.**

3:00 p.m. – Speak with local reporter on how latest research applies to current events.

2:00 p.m. – Administer leadership simulation to undergraduate students.

4:00 p.m. – Meet with students to help them plan a travel experience in China next summer.

**Wednesday 9:00 a.m. – Attend administrative meeting on new school policy. Administrative meetings aren’t high on the list of faculty favorites, but they give professors the chance to practice management. Says Gatti, “If faculty can participate in the management of the institutions, they can become better managers themselves.”**

1:00 p.m. – Teach MBA course.

**Wednesday 4:30 p.m. – Hold office hours. Check and answer student e-mails. Update Facebook page to let students know of upcoming seminar.**

**Thursday 2:00 p.m. – Video conference with colleagues in Europe to discuss a global, cross-disciplinary research project. “Research grounds faculty,” says Kathleen Sutcliffe of the University of Michigan. “They use it to form a basis of their intellectual life and to create intellectual impact.”**

12:00 p.m. – Video conference with colleagues in Europe to discuss a global, cross-disciplinary research project. **“Research grounds faculty,” says Kathleen Sutcliffe of the University of Michigan. “They use it to form a basis of their intellectual life and to create intellectual impact.”**

7:00 p.m. – Take a French language class. “Professors can get so involved in the day-to-day activities of teaching and research that they forget they also need to learn something new,” says Sutcliffe. “It doesn’t have to be business. It just needs to be something to help them renew their passion, excitement, and energy.”

**Friday 2:00 p.m. – Administer leadership simulation to undergraduate students.**

4:00 p.m. – Meet with students to help them plan a travel experience in China next summer.

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**Friday Spend the day at home to plan next week’s courses, conduct research, and spend time with family.**
“When I talk to faculty at the teaching effectiveness seminars, their No. 1 issue is that they have so many meetings and so much paperwork, they can’t focus on their research and teaching.”

— Earl Simendinger of the University of Tampa
“I have learned so much about teaching from my arts and sciences colleagues—from observing professors in departments like physics and math,” Stumpf says. “Business schools can use resources already in place to enhance the quality of their faculty’s teaching.”

6. Use Student Ratings Wisely

Student evaluations are to professors as the rankings are to business schools—they’re considered both tools for constructive feedback and sources of subjective opinion. Because student evaluations are used not only to help faculty identify areas to improve, but also to make decisions regarding promotion and compensation, they must be used very carefully, says Stumpf.

“With student evaluations,” he says, “you don’t know if you’re measuring the quality of learning or something else.” How students evaluate their teachers can be unduly influenced by the grades they expect, the level to which they agreed or disagreed with the professor’s worldview, the difficulty of the coursework, or even the time of day the course was offered.

The key, says Stumpf, is to establish an evaluation system that takes these kinds of influences into account. On course evaluations at Villanova, for instance, students aren’t just asked to evaluate their professors’ teaching. They’re also asked a broader range of questions, including how challenging they found the course, how hard they had to work, and how intellectually stimulating they found the material. Such questions can help protect professors from the lower ratings that more difficult courses or personality differences might generate.

Administrators must also keep in mind the public nature of student evaluations, Stumpf argues. Unlike performance reviews in a business—which might be read by only an employee and his boss—student evaluations are very public, read by department chairs and faculty review committees. Online sites such as RateMyProfessors.com expand that visibility to the Internet at large, where anonymous posters can be both incredibly laudatory and downright brutal.

“Because these rating systems are so public, a professor’s esteem and reputation are on the line,” says Stumpf. Therefore, evaluations are most beneficial when they are used to help professors look for trends and work on areas where they consistently receive lower ratings. For example, when Stumpf himself once got lower student ratings than he had expected, he read the students’ comments carefully. He discovered that something he had said in one lecture had been interpreted much differently than he had intended.

“I now know how that comment came across—I’ll never do that again!” he says. “These numbers tell us a story. The challenge for faculty is to be able to look at the numbers and ask, ‘What did I do? How can I make it better next time?’” The role of a dean or department chair, he adds, is to use student ratings not as a basis for punishment, but as a way to identify those professors who are truly interested in analyzing their ratings, identifying problems, and taking steps to improve via classroom observations, targeted workshops, or other measures. These professors, he says, are the ones who will contribute more to the business school over the long term.

7. Develop the Individual

Scheduling face-to-face sessions with each faculty member can be one of the best contributions administrators can make to their faculty development efforts. These individualized sessions can be as simple as an administrator sitting down with each professor and asking, “What do you need today to be better at what you do?” says Simendinger. “Faculty development is a very individual process—what might motivate me may not motivate someone else.”
Sutcliffe agrees, noting that professors at the Ross School submit annual reports that keep the administration updated about what’s happening with their projects and what they need to thrive in their jobs. The school also has taken the individual development of its faculty one step further: It plans to open a fitness facility and offer a series of personal wellness seminars for faculty. “Faculty can better maintain their energy through exercise, yoga, meditation, and healthful eating,” says Sutcliffe. “That’s going to be a focus of our school.”

8. Target Potential

Any organization’s staff breaks down into three groups—those with superior abilities, those with great potential, and those who are just doing their jobs. In most cases, a school can maximize its faculty development budget by focusing its efforts on those faculty members with the most enthusiasm and potential, says Stumpf of Villanova.

“Not all professors will benefit from development efforts. In most schools, there is that top 10 percent of faculty members who are exceptional. They should be tapped as role models and mentors, but they don’t necessarily need development,” he says. “Then, there are those professors who aren’t ready learners—they’re not interested in development or motivated to become better teachers.” Those in the middle are the ones taking risks and striving to be better—and the ones who are looking for opportunities to grow, Stumpf argues.

To identify these ready learners and risk-takers, Stumpf advises administrators to look for professors whose student evaluations vary from course to course. “When I look at professors who are getting 4.9 ratings in every course, I have to ask, ‘Are they really the best teachers? Or have they just found a way to satisfy their students?’ Instead, I focus on the teachers whose ratings vary—say, from 4.4 to 4.6—and whose teaching loads vary. These are the people who have the ability to teach a wide variety of people on a wide variety of topics.” As ready learners, Stumpf says, they’ll appreciate faculty development as a reward, not view it as an obligation.

A Head Start

Many forces have aligned to push business faculty in new directions: internationalization, technological innovation, accelerated communication, and a host of other “-ations” that are sure to come. That means that professors must do more and more to keep their teaching, research, and other activities at the forefront of business.

However, those schools that develop the right support systems will give their faculty a head start. When given opportunities to renew their skills, refresh their perspectives, and revive their passion for their disciplines, high-performing faculty members don’t just further their own professional goals. They also help business schools advance their programs, build their reputations, and enhance their brands. 2
To judge academic qualifications of faculty, business schools often resort to counting the number of articles they’ve published. But is there a better way?

Is the best business school professor the one who publishes a specific number of articles every year in the top peer-reviewed journals? Or should other factors influence whether someone is considered qualified to teach business?

For any business school, choosing and evaluating faculty is a critical task, but there is no magic formula to help administrators achieve the perfect mix. Each accredited school follows a different mission and creates its own formula to hire faculty who suit its individual needs. But no matter how varied their missions are, accredited business schools all must meet AACSB International standards, which outline requirements for academically qualified (AQ) and professionally qualified (PQ) faculty. With these requirements as a guide, schools evaluate faculty as they’re hired, to make sure they’re right for the job—and a few years down the road, to make sure they’ve maintained their qualifications.

Often, research productivity is all that administrators consider when determining maintenance of AQ status for their faculty. That’s a straightforward way to define faculty status, which otherwise can be a tricky job. If they focus on research output, faculty committees don’t have to define policies in ways that could render colleagues “not qualified.” By the same token, administrators have a clear definition of what constitutes qualified faculty; they don’t have to make judgment calls, and they can’t show biases for or against certain professors.

But while measuring research output can make it easier to weigh faculty contributions, we don’t believe it’s the best way for a school to assemble—and keep—the most talented faculty on staff.
Our Story

Our own school serves as a microcosm of the troubles that can result when an institution judges AQ status simply by faculty output. When our governance committee turned down the opportunity to develop operational definitions, the administration decided to define AQ faculty by focusing on research productivity, without considering research quality or disciplinary focus. The policy also failed to take into account the unique career opportunities some faculty have and the varying institutional needs that are sometimes reflected in their workloads. In short, the administration’s need for clarity and simplicity trumped the faculty’s need for flexibility.

Not surprisingly, this has led to a number of problems. For example, a faculty member’s AQ status helps determine teaching load and summer appointments, and some people believe the focus on research has had a negative impact on faculty attitudes toward service and teaching. Others argue that the emphasis on scholarly output encourages faculty to publish in less respectable outlets and not make the effort necessary to get work accepted in highly regarded journals.

So far, our school has strictly adhered to our AQ policy, but given these problems, our administration may revisit its effectiveness. In case that happens, we want to be able to benchmark our faculty accreditation standards against those of our sister schools. To that end, we have studied the definitions of AQ faculty supplied by more than 400 AACSB members in the association’s annual Business School Questionnaire (BSQ).

Because AACSB’s membership is so diverse, member schools have developed a wide range of definitions of qualified faculty in the five years since the current accreditation standards were released. Our goal was to identify the range of elements that characterize AQ strategies and determine similarities and differences that crop up based on each school’s mission. Since we are concerned that our own AQ policy is too heavily focused on research, we paid particular attention to how other schools are incorporating research into their faculty definitions.

Schools that want to revise their definitions of faculty qualifications may find our results helpful, while schools that want to focus on quality of intellectual contributions will benefit by knowing how schools with similar missions assess quality. For instance, do they designate target journals, use a journal ranking system, count the number of times an author’s work is cited, or consider the acceptance rates of a particular journal? In short, we wanted to answer two questions about AQ faculty: What is currently being measured, and what isn’t?

**KEY TO ABBREVIATIONS:**
- RU/VH: Research Universities (very high research activity)
- RU/H: Research Universities (high research activity)
- DRU: Doctoral/Research Universities
- Master’s L: Master’s Colleges and Universities (large programs)
- Master’s M: Master’s Colleges and Universities (medium programs)
- Master’s S: Master’s Colleges and Universities (small programs)
- Other U.S.: Other programs within the United States
- OUS: Programs outside the U.S.

**By the Numbers**

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<th>DRU</th>
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The majority of schools rely on counting systems to determine AQ status, but different classifications of schools tend to take different approaches. For instance, heavily research-oriented institutions are more likely to use a judgment system, whereas master’s, doctoral, and less research-intensive schools rely more on counting systems.
Defining AQ

In order to group schools by mission and commonalities of practice, we used eight categories based on the Carnegie Foundation’s Basic Classifications: research universities with very high research activity (RU/VH); research universities with high research activity (RU/H); doctoral/research universities (DRU); schools with large master’s programs; schools with medium master’s programs; schools with small master’s programs; other U.S. schools, including baccalaureate and special focus classifications; and schools outside the U.S. (OUS).

We were able to use 397 responses from AACSB’s 2007 BSQ. We found considerable diversity in the way schools define academically qualified faculty, both in the initial and the maintenance phases.

We looked first at initial qualification. According to AACSB’s accreditation standards, initial qualification can be established through a terminal degree in the area of instruction; a combination of a terminal degree and research or graduate work; a specialized graduate degree; or specialized coursework in the teaching field.

For the majority of respondents across all classifications—84 percent—that initial qualification period lasts five years. Indeed, that number is so well-entrenched that a 2006 AACSB white paper allows faculty a five-year period of qualification based on conferral of the terminal degree. Some schools appear to have adopted an even stricter policy, however, since 12 percent of respondents say they re-examine AQ qualification after three years.

If initial qualification is based on attainment of “all but dissertation” (ABD) status in a PhD program, 74 percent of the schools apply maintenance requirements after three years, and 19 percent apply them after one year. The AACSB white paper allows ABD faculty three years of qualification, so most schools are easily complying with the recommendations.

Maintaining Qualification

Schools use a variety of methods to determine if faculty have maintained their academic qualifications beyond that initial phase. While some respondents didn’t give details or haven’t yet defined their method of determining AQ status, most rely on one of three systems:

Under the counting system, administrators make sure that faculty have published at least one article in a peer-reviewed journal every three years to maintain their academically qualified status—but heavily research-oriented schools sometimes do not even insist on that minimum requirement. This difference might be because RU/VH schools look more at quality of output than quantity.

### How Many Peer-Reviewed Journal Articles Are Required During the Evaluation Period?

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<tr>
<td># of responses</td>
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<td>52</td>
<td>35</td>
<td>130</td>
<td>39</td>
<td>9</td>
<td>36</td>
<td>25</td>
<td>347</td>
</tr>
</tbody>
</table>

It’s most common for schools to require faculty to publish at least one article in a peer-reviewed journal every three years to maintain their academically qualified status—but heavily research-oriented schools sometimes do not even insist on that minimum requirement. This difference might be because RU/VH schools look more at quality of output than quantity.
for evaluating faculty performance determines if faculty have maintained AQ status.

Under the point system, faculty earn points for various activities, and they must meet a minimum point total to maintain AQ status.

Certain types of schools seem to prefer one method over another. For instance, judgment-based systems are in the majority among schools with a very strong emphasis on research. They’re also more prevalent among smaller master’s degree institutions and OUS schools.

Going strictly by numbers, however, the method that’s most prevalent among business schools is the counting system. The schools that are more likely to choose this system are research institutions that don’t have quite as high an emphasis on research, doctoral institutions, and large and medium master’s-granting schools. These schools tend to set a minimum level of faculty productivity. They can be fairly specific about how many articles must appear in peer-reviewed journals and how many pieces can be the products of other intellectual contributions.

On the other hand, what schools consider an acceptable minimum output varies widely. The biggest percentage of schools require faculty to publish at least one peer-reviewed journal article during the evaluation period to retain AQ status.

It’s intriguing to note that a third of the RU/VH schools do not require faculty to produce even one peer-reviewed article a year, whereas 19 percent of the schools in this category indicate that their requirements vary. It appears that, in these environments, the quality and impact of a faculty member’s scholarly activity can carry a great deal of weight—more, perhaps, than quantity of output. That is, if faculty publish infrequently, but their articles appear in the top journals and discuss important research, the administration is satisfied with their scholarly output.

A similar pattern emerges in regard to other intellectual contributions. Schools with a heavy research orientation set the bar lower than other schools in terms of how much scholarly output they expect faculty to produce to maintain their AQ status. By contrast, schools in the master’s and DRU categories set the bar closer to the expected level of productivity—roughly one to three peer-reviewed articles published during a five-year evaluation period. It seems

| HOW MANY TOTAL INTELLECTUAL CONTRIBUTIONS ARE REQUIRED? |
|-----------------------------------------------|------------|------------|-------------|------------|-------------|-------------|-------------|-------------|
| Combined scholarly contributions | RU/VH | RU/H | DRU | Master’s L | Master’s M | Master’s S | Other U.S. | Outside U.S. | Summary |
| Varies                       | 21%   | 16%  | 5%  | 6%         | 14%        | 20%        | 8%          | 7%          | 10%      |
| >5                           | 4%    | 12%  | 10% | 15%        | 9%         | 20%        | 8%          | 15%         | 12%      |
| 4                            | 0%    | 7%   | 5%  | 7%         | 2%         | 0%         | 3%          | 0%          | 5%       |
| 3                            | 21%   | 33%  | 15% | 27%        | 14%        | 60%        | 17%         | 7%          | 22%      |
| 2                            | 17%   | 16%  | 33% | 23%        | 30%        | 0%         | 28%         | 33%         | 25%      |
| 1                            | 38%   | 16%  | 31% | 21%        | 30%        | 0%         | 36%         | 33%         | 26%      |
| 0                            | 0%    | 0%   | 0%  | 0%         | 0%         | 0%         | 0%          | 0%          | 0%       |
| # of responses               | 24    | 43   | 39  | 112        | 43         | 5          | 36          | 27          | 329      |

For schools with counting systems, requirements to maintain AQ status vary greatly. Combined scholarly contributions—both peer-reviewed journal articles and other intellectual contributions—seldom total more than three during the school’s evaluation period.
Those schools might be using the AQ policy to push faculty research productivity higher. Many schools do consider a number of factors besides scholarly output when evaluating their AQ faculty. These include teaching level, teaching load, academic discipline, match between academic preparation and teaching area, and administrative and service assignments. Many also weigh faculty rank, career path, or judged quality of the intellectual contribution.

It’s worth noting that a significant number of U.S. institutions across all classifications focus on teaching load, whereas only 17 percent of OUS schools consider that an important factor. In the U.S., only RU/VH schools established discipline-specific standards for AQ status. And only research universities and schools with large master’s programs considered service assignments when evaluating AQ status.

**Generally Speaking**
From our research, we were able to draw some broad conclusions about the way certain types of schools judge the AQ status of their faculty.

- **Schools with a very high research focus** provide many different avenues for faculty to maintain academic qualification. They’re more likely to use the judgment system of evaluating contributions, and they usually have differing expectations based on service assignments, career tracks, rank, and discipline. Interestingly, compared to less research-intensive schools, they often require *less* productivity in terms of number of journal articles published. This disparity suggests that they are paying greater attention to factors such as the quality of the publications and the type of external service the faculty member performs. Another possibility is that, instead of relying on “industry standards” or generalized expectations of scholarly output for faculty, these institutions use their existing cultures and their individual faculty evaluation processes to establish their expectations of productivity.

- **U.S. schools that do not focus as heavily on research** most often follow a rigid counting system that relies on peer-reviewed journals and other intellectual contributions. Their AQ definitions appear to be based almost solely on how many journal articles are published within a five-year span; they pay little attention to factors such as service assignments, administrative roles, and publication quality. Thus, it’s likely that, at these schools, the AQ policies essentially set the minimum levels of faculty productivity, and other evaluation processes are forced to conform to the AQ policies. It’s reasonable to expect that, as the policies are implemented and as they begin to have a motivational effect on faculty, schools will begin measuring quality as well as quantity. As a result, we believe, schools that rely on counting systems eventually will be more flexible, and more of them will add point-based or judgment-based systems.

- **Among non-U.S. schools,** which we categorized in one group, there was so much diversity that we were not able to create a generalized statement regarding the way they determine AQ status.

**WHAT OTHER FACTORS AFFECT AQ STATUS?**

<table>
<thead>
<tr>
<th>Factors</th>
<th>RU/VH</th>
<th>RU/H</th>
<th>DRU</th>
<th>Master’s L</th>
<th>Master’s M</th>
<th>Master’s S</th>
<th>Other U.S.</th>
<th>Outside U.S.</th>
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<td>Other</td>
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</tbody>
</table>

Teaching level is the other variable that most schools consider when they look at factors other than research to determine the AQ status of faculty. However, teaching level seems to be less important to schools outside the U.S.

Many business educators are expressing concern about the kind of scholarly research that’s being done—and being rewarded.
Because AQ policies vary so much by Carnegie classification, we believe schools have different motivations for the way they develop their policies. For instance, nonresearch institutions might want to bolster research productivity; RU/VH schools might want to provide latitude for a wide range of research methods. More inquiry would be needed to determine how much AQ requirements are influencing administrative policy and what kind of impact these policies are having on faculty productivity in areas such as teaching, service, and scholarship.

The Future of Research
Many business educators are expressing concern about the kind of scholarly research that’s being done—and being rewarded. For instance, a recent report from AACSB’s Impact of Research Task Force noted that most schools tend to focus on the type of basic research that appears in peer-reviewed journals, instead of encouraging research that supports practice, learning, and pedagogy. The task force took the position that many existing AQ policies do not do a good job of evaluating quality, impact, and relevance to teaching discipline when considering faculty research—and we have to agree.

Even though administrators may prefer to evaluate faculty qualifications through simple systems that allow them merely to count the number of articles that have been published, these systems are flawed. They do not take into account a professor’s quality of work, teaching load, service assignments, or career track. In fact, simplistic counting systems might lead business schools to encourage less engagement between their faculty and their community. After all, if faculty must focus so much on how many articles they publish, they may not spend their time in other paths of professional development, such as volunteering for service opportunities or activities designed to improve their teaching.

By contrast, more subjective evaluation systems—those that do not rely solely on measuring research output—encourage faculty to include other activities in their schedules. We believe that when faculty have incentives to improve their teaching, increase their service to the school, and make contributions to practice, they will become more productive, more well-rounded, and more valuable members of the management education community.

Mark D. Hanna is professor of operations management at Georgia Southern University’s College of Business Administration in Statesboro. J. Lowell Mooney is professor of accounting at Georgia Southern.
Judging the Journals

by Bruce Lewis

Most business schools rely heavily on a professor’s publication record when they’re evaluating faculty, so they track how often each professor publishes—and in what journals. But it’s no simple task for schools to determine the quality of the journal, and thus the quality of the scholarly contribution.

One popular method is for schools to create internal lists that place journals in “graded” categories. In fact, a recent survey by AACSB International reveals that approximately 40 percent of the association’s members opt for this way of officially documenting journal quality at their institutions. But how can they know that they have correctly judged a publication’s worth—or fairly gauged their faculty’s work?

It’s a challenge for any school to put together such a list in a comprehensive and consistent way. Understanding the assessment methods available and deciding which ones work best at a given institution are crucial tasks.

Rank and File
Methods utilized in published journal ranking studies include opinion surveys, citation scores, the author affiliation index, and other sources. Each method has its own advantages—and disadvantages.
Opinion surveys. Some researchers have developed journal rankings by surveying faculty, department heads, deans, journal editors, article authors, doctoral students, and other interested parties about their opinions of journal quality. They generally ask respondents to consider factors such as the journal’s reputation, prestige, and appropriateness as a publishing outlet.

While opinion surveys are common, they have been criticized for being biased toward U.S. journals, underestimating the importance of niche journals, and failing to recognize newer journals and practitioner publications. They also have been disparaged as popularity contests whose rankings are not derived from “hard” data. While these are legitimate concerns, opinion-based rankings generally produce a reliable assessment, at least for the top 20 journals in a field.

Citation scores. Citation scores, which are also widely used, measure a journal’s visibility by noting the extent to which its articles are cited in other publications, such as research studies, doctoral dissertations, and textbooks. A popular type of citation score is the impact factor, which is calculated as the ratio of the number of citations for articles in a journal to the number of articles in a set of journals, over a specified time period.

Detractors complain that citation prominence doesn’t necessarily equate to quality. They also claim that citation scores favor established journals with larger readership—most often U.S. journals—and those that publish articles on the latest hot topics. Nonetheless, because these scores are based on empirical data, many faculty and administrators feel comfortable using them to evaluate journal quality.

Author affiliation index. The AAI method takes a select set of schools—typically, the top research institutions in the discipline—and computes the percentage of a journal’s authors who have been drawn from those schools during a designated period of time. The assumption is that authors from top schools will produce articles of higher quality; journals with more articles by these authors therefore are the best in their fields.

One advantage of this approach is that AAIs can be customized; a given school can identify its peer institutions and track which journals publish articles by their faculty. On the other hand, if schools are judged by how many faculty publish in top journals, and journals are judged by the number of published authors who are from top schools, then the AAI method can become circular.

Other sources. Published ranking studies have used a variety of other ways to appraise journal quality:

Library holdings. The more available a journal is in academic libraries, the more likely is it to have influence.

Readership. The more readers a journal has—determined by library circulation records or Internet downloads of journal articles—the greater its sway.

Target lists. Journals are ranked by averaging across the graded lists from several schools.

Meta analyses. These presentations of journal standings essentially summarize the published ranking stream of articles in a specific discipline.

External ranking metrics. Many journals appear on the lists of outside sources, such as the Financial Times Top 40 Journals, the British Association of Business Schools (ABS) Rank-
“Because scholarly production is such a significant element in judging faculty performance, it’s critical that journal quality be fairly and transparently evaluated.”

### Discipline | Journal Listed Most Frequently

- **Management**
  - Academy of Management Journal and Academy of Management Review 1,496
- **Economics**
  - American Economic Review 782
- **Management Information Systems**
  - MIS Quarterly 701
- **Finance**
  - Journal of Finance 550
- **Accounting**
  - Accounting Review 479
- **Operations Management and Logistics**
  - Operations Research 430
- **Marketing**
  - Journal of Marketing Research 387
- **Business Law**
  - American Business Law Journal 221
- **Quantitative Methods**
  - Journal of Forecasting and Journal of the American Statistical Association 169
- **International Business**
  - Journal of International Business Studies 168
- **Entrepreneurship**
  - Entrepreneurship Theory and Practice 79
- **Real Estate**
  - Journal of Real Estate Finance and Economics 54
- **Risk and Insurance**
  - Journal of Risk and Insurance and Journal of Risk and Uncertainty 37
- **Ethics**
  - Journal of Business Ethics 21

### Rankings in Action

Because scholarly production is such a significant element in judging faculty performance, it’s critical that journal quality be fairly and transparently evaluated. Everyone must understand the school’s quality assessment system, from the professor being evaluated to the deans, provosts, and faculty promotion and tenure committees reviewing the professor’s performance.

Whether schools generate an internal rankings list or rely on external sources, they need a definitive way to determine journal quality—and justify their decisions to others. The published streams of articles ranking journals by discipline can be extremely helpful in this regard, though it’s important to remember that any ranking system can be flawed. For any school attempting to judge journal quality, the best approach is to consult multiple sources, triangulate the data, and draw thoughtful conclusions, while providing the maximum visibility in the process. When everyone understands how scholarly contributions are measured, everyone can strive to hit the highest mark.

Bruce R. Lewis is associate professor and Cooper Fellow in Information Systems at the Calloway School of Business and Accountancy at Wake Forest University in Winston-Salem, North Carolina.

### Where to Read More

Dozens of articles have been published assessing journal quality through methods such as opinion surveys, citation scores, the author affiliation index, library holdings, and Internet downloads. A comprehensive listing of these studies, as well as links to journal rankings’ Web sites, can be found online at www.aacsb.edu/research.
To manage its programs in the volatile Middle Eastern environment, the American University of Beirut’s Olayan School stresses careful planning, unorthodox approaches, and, above all, the ability to be comfortable with uncertainty.
The campus of the American University of Beirut
even for something as seemingly simple as the delivery of an overnight package. Still, we have found that nothing is more rewarding than managing these challenges, while providing global business education in turbulent, unpredictable conditions.

Historical Realities
Lebanon is a pluralistic, open, and democratic society. Even so, it has always been afflicted by chronic political instability, ranging from civil tensions and a protracted political stalemate to all-out war. In Lebanon, citizens uninhibitedly voice a wide variety of beliefs, ranging from staunch support of U.S. foreign policy to alignment with and support for the Iranian regime and Sharia law. This melange of conflicting viewpoints, in the absence of a traditionally strong and unified military, translates into ongoing tension.

It is in this climate that the American University of Beirut runs its programs. As the region’s oldest private research university, AUB follows the U.S. model of higher education. In 1900, it became the first university to introduce management education to the Middle East region; it is the oldest American institution outside of the U.S., operating under a New York State Charter since 1863. AUB also was the first co-educational institution in the Middle East, open to all qualified students without regard to gender, race, religion, economic status, or political affiliation.

The university suffered great setbacks during Lebanon’s civil war from 1975 to 1990. During this conflict, AUB was unable to increase its tuition at a rate proportional to the country’s spiraling inflation; as a result, it was difficult for the university to keep its classroom and research facilities in good repair and abreast of rapid advances in technology. In addition, because of the extremely unstable conditions in Beirut, the school lost much of its diversity. Many of its faculty left the region, and non-Lebanese students chose to enroll at other schools that weren’t in a war zone.

Influenced by this history, AUB values the components’ of an American liberal arts education and defines its mission in regional terms. It places special emphasis on broadening the regional and international diversity of its students and faculty. The institution has become an intellectual sanctuary for writers, scholars, entrepreneurs, executives, philanthro-

Given what people from outside the region see on television, it can take a firsthand visit to show them that Beirut offers a unique, cosmopolitan mixture of Oriental tradition and Western modernity.
pists, policymakers, executives, and political figures in the Middle East region. In fact, among its alumni is Lebanon’s current prime minister, Fouad Siniora.

For nearly 100 years, AUB’s business courses were delivered as “concentrations” by a department within its College of Arts and Sciences. In 2001, in response to the oil-driven economic growth and management development needs of the regional business community, AUB established an independent School of Business. In 2003, the school became the Olayan School of Business after it was endowed by the prominent Saudi-American businessman and philanthropist Suliman S. Olayan.

Regional Realities

Today, the Olayan School’s business program has grown from 12 full-time professors, who were largely natives of the region, to 48 full-time professors from around the world. Three primary trends have propelled the school’s development:

- **Fallout from the attacks on September 11, 2001.** The 9/11 terrorist attacks in New York City led to tighter visa restrictions in the U.S. Many students in the region who would have traveled to the U.S. for their educations have chosen instead to remain here, leading to a surge in undergraduate applications.

- **Growing tensions between Arab and non-Arab nations.** More Arab college-age students feel that they are not well-understood outside of the Middle East. Many applicants have opted out of studying in the U.S. or Europe, looking instead to regional alternatives.

This trend is especially true for Arab women. Many talented women prefer to stay close to their homes and families because of cultural expectations; even so, their ambitions continue to grow. As a result, their enrollment in post-secondary programs is on the rise. Although the participation of Arab women in the labor force is still low, women in many Middle East countries enjoy high levels of formal education, according to numbers from the United Nations. In fact, in countries such as Jordan, Lebanon, Bahrain, and Tunisia, women make up more than half of total enrollment at post-secondary educational institutions. At the Olayan School, women comprise 56 percent of undergraduate enrollees and 60 percent of MBA enrollees.

- **Increasing regional demand for management education.** Countries in the Gulf Cooperation Council (GCC) region have experienced average annual oil-driven growth of 20 percent in recent years, among the world’s fastest rates. Morgan Stanley estimates that the GDP of GCC Countries will exceed US$950 billion in 2008, making this bloc the seventh largest economy in the developing world—comparable to the burgeoning economy of India.

At the same time, the GCC is proactively seeking to diversify many of its markets. In its 2004 Middle East and North Africa (MENA) Development Report, the World Bank estimated that the economies of the MENA region will need to create 80 million new jobs by 2020 to maintain healthy employment levels. To satisfy the needs of a rapidly growing labor force, the GCC plans to move away from petroleum and public enterprises as its primary industries into sectors such as real estate and construction, financial and professional services, and tourism.

But the need to create jobs reflects only half of the issue. The other half involves preparing the labor force to assume skilled jobs. As more individuals enter the labor force, and as current workers learn to manage private-sector businesses, the management development needs of the regional business community have become more pressing. For this reason, investments in education have soared recently, and major American and European universities have even set up branches of their campuses in the GCC region.

These trends have sparked renewed growth and increased activity at the Olayan School, including a rise in undergraduate and executive education applications. The school also advises other regional educational institutions that seek to establish operations, maintain global standards of quality, and seek accreditation. With a network of strong business schools that have local ties, the region can better meet its growing demand for skilled managers who truly know the cultural and political context of Middle Eastern business.

Cultural Realities

Despite regional demand for management education, country circumstances often affect our faculty recruitment efforts. We have been successful at hiring candidates of Lebanese/Arab descent, as well as those with Arab spouses and children.
who understand the culture, have an affinity for Lebanon, and are familiar with the institution. But other business faculty often have misconceptions that we work to dispel.

Faculty with children, for instance, may be especially wary of moving to Lebanon, fearing for their children’s safety. In these cases, we must emphasize that primary and secondary schools in Lebanon are among the world’s most competitive. Others believe that by working and teaching at an institution in the Arab Middle East, they would cut themselves off from mainstream academia, compromising their research agendas and global collaboration opportunities. The Olayan School works to allay these concerns through support such as international conference attendance, external grant funding, guaranteed research leave, and consulting opportunities.

Others may fear the cultural differences between Western and Middle Eastern societies. It’s true that Arab culture is very implicit and “high-context.” Listeners must grasp a conversation’s meaning by carefully noting context and the speaker’s nonverbal cues. To come to a mutually understood agreement, two people have to engage in an extensive one-on-one dialogue—in person, by phone, and by e-mail.

Business dialogue, especially, tends to be largely indirect, diplomatic, nonconfrontational, and vague. In this part of the world, large meetings are not convened to brainstorm or discuss options. Rather, they are largely ceremonial where decisions that already have been agreed upon—through extensive one-on-one consultative meetings—are announced. This process takes work, but it’s how professional rapport is maintained and nurtured in the Middle East culture.

At first, it can be difficult for faculty and students from outside the region to pick up on these subtle cues. Many receive an education in cultural interactions that they may not have expected. However, once they learn these subtleties, they find they are well-equipped to conduct business in a part of the world that promises to become more important to global business.
But, above all, the perception of danger in the Middle East remains a major barrier to the Olayan School when it comes to recruiting internationally diverse faculty. The university has made significant efforts to mitigate this perception by engaging in a U.S.-based outreach campaign spearheaded by AUB’s New York City office and its board of trustees.

Once faculty candidates make their first visits to our campus, they are pleasantly surprised with the reality on the ground at AUB and in Beirut. They are particularly surprised to find that Beirut is a culturally diverse, sophisticated, and intellectual city—in fact, most of its residents are trilingual. Given what people from outside the region see on television and read in the newspapers about the Middle East, it can take a firsthand visit to show them that Beirut is much different from what they might have expected, offering a unique, cosmopolitan mixture of Oriental tradition and Western modernity.

Comfortable Ambiguity
Most schools in stable environments spend a majority of their efforts developing, implementing, and reviewing the progress of their detailed strategic plans. At OSB, however, we spend less than a third of our planning time on these activities. We focus the remainder of our efforts on contingency planning and preparation. Although such extra planning can be time-consuming and often costly, it is necessary and allows us to remain flexible, adaptable, and responsive to an unpredictable environment.

For example, we currently offer a modular Executive MBA program on-campus, which requires a majority of our participants to fly in from different parts of the Middle East. Although travel to any university can be disrupted by weather or other factors, we must be far more vigilant to ensure that our students arrive in Lebanon to complete their requirements.

To hedge against any potential service disruptions as a result of travel warnings or civil unrest, we take extra precautions. We have mobilized our alumni in Bahrain to secure backup conference facilities available for our use at a moment’s notice. We also have designed a variation of our Executive MBA program, which is identical in content but different in delivery. For this program, we admit groups of executives from a single corporation, rather than individuals from many corporations. In addition, classes are held at alternate corporate locations, so instead of having students fly to our campus, our faculty fly to meet the students. This alternate delivery allows us to serve students in the Arab Middle East in the Gulf region consistently, and it ensures that we do not cannibalize our on-campus program.

We also rely on technology in case of emergency. Last year, for instance, we planned a business conference on campus featuring a regional CEO as the keynote speaker. At the last minute, however, his board advised him not to travel to Lebanon. Still, we were able to keep our conference on schedule—the CEO delivered his speech from the comfort of his own office via video conferencing.

By necessity, faculty and staff at the Olayan School tend to be flexible self-starters who are comfortable with ambiguity. Our culture is not well-suited to those accustomed to routines and predictable 9-to-5 environments. We often joke that experience-based paranoia drives our planning and implementation, so that we remain resilient to exogenous shocks.

The Road Ahead
In 2007, visitors to our campus often asked where the summer 2006 fighting took place. During sightseeing excursions, they were surprised to see no remnants of the conflict, as it was depicted in international media footage, anywhere near Beirut. They had not realized how distant we were from the fighting.

The presence of conflict and tension in the Middle East is real—however, its extent is often exaggerated by 30-second global media headlines covering an incident in a country’s geographic periphery. Even now, as we work with AACSB to put together a peer review team for an accreditation visit, “willingness to travel to Lebanon” has become one of the most important factors in team assembly.

For OSB to compete successfully in an increasingly global management education environment, we know that we must assertively manage global perceptions of country risk. We realize we have to work twice as hard to prove ourselves to the global management education community. But as ironic and biased as this may seem to “non-Beiruti” residents, Lebanon provides a quality of life that can’t be found anywhere else in the world. This makes OSB, Beirut, and the surrounding region a rewarding environment for study and research.

The key that helps us overcome many challenges is an organizational competence to “absorb uncertainty” effectively. More important, we’ve learned many valuable lessons from managing not only the uncertain cultural and political climate around us, but also external and distant perceptions of the Middle East. These lessons are informative case studies on continuous improvement that could be useful to any business school, anywhere in the world.

Carla Sayegh is the director of continuous improvement for the American University of Beirut’s Suliman S. Olayan School of Business in Lebanon.
Research

The World Is More Helpful Than You Think

While many people recognize that it’s sometimes necessary to ask for help, they most often underestimate how easily that help will come, say Frank Flynn, associate professor of organizational behavior at the Stanford Graduate School of Business in California, and Vanessa Lake, a psychology doctoral student at Columbia University in New York.

In two studies, Flynn and Lake directed participants to estimate how many strangers they thought they would have to solicit to reach their fund-raising goals and the average donation they expected. In this case, too, volunteers predicted they would have to approach 50 percent more people than they actually did, and they underestimated the average actual donation they received by $17.

The researchers found that those asking for help often fail to understand the motivations of potential helpers. Many people, they say, feel a social obligation to be benevolent. However, the request has to be direct and personal. Flynn and Lake found people were less successful in receiving help when using indirect means. In another study, for instance, participants overestimated the number of people who would respond when handed a questionnaire that included a written request to fill it out.

“People seem to miscalculate how willing others are to say yes to direct requests,” says Flynn. “People are more willing to help than you think, and that can be important to know when you’re trying to get the resources you need to get a job done.”

Their paper, “If you need help, just ask: Underestimating compliance with direct requests for help,” was published in the July 2008 issue of the Journal of Personality and Social Psychology.

Brain Scans Reveal Cultural Preferences

Brain scans may not be able to tell whether a person is lying, but they can tell what cultural traditions a person prefers. That’s the finding of cross-disciplinary research that involved Karen Walch, a professor who teaches crosscultural negotiation at the Thunderbird School of Global Management in Glendale, Arizona.

Walch’s research team included 15 medical science academics who...
work in the areas of brain imaging and cognitive neuroscience. Their intent was to study how brain scans could help those in national security and military intelligence determine whether someone was lying. While their research indicated that brain scans could not be used to indicate deception, they did find something that could prove equally intriguing: that scans could indicate cultural preferences. The researchers were able to create “brain maps” that revealed differences in people’s emotions, motivations, and hidden biases. Those differences, says Walch, are influenced by their cultural backgrounds.

While these hidden biases are certainly present, people can overcome them, says Walch. They just need the right training to work effectively across cultures. “These preferences are not necessarily hardwired into the brain. Neuroscience has revealed that the brain has amazing plasticity,” she says. Even so, understanding how the brain works can help global managers realize the difficulties involved in crossing cultures effectively. “Learning new languages and attempting to switch cultural styles can often be difficult on an emotional and social level, even for global managers who know it’s possible.”

Walch hopes that this study and other neuroscience research can help global managers better understand their own cultural preferences. Then, they can adapt their behaviors in ways that help them become more successful linguists, communicators, and negotiators.

The report, “Emerging Cognitive Neuroscience and Related Technologies,” was published in August by the National Research Council.

**FOCUS ON FACULTY**

**The Globalization of Business Research**

Professors Charles Baden-Fuller and Vincent Mangematin argue that it’s time for business schools to rethink their research strategies.

The bulk of the world’s business research once came primarily from U.S. business schools—as much as 80 percent in 1992. That’s now changing, say Charles Baden-Fuller of Cass Business School in the United Kingdom and Vincent Mangematin of Grenoble Ecole de Management in France. They predict that academic research output from U.S. business schools will drop to less than 50 percent of all research generated worldwide by 2010.

Why? Globalization. As technology continues to foster international collaboration, the shift away from the U.S. is almost inevitable, says Baden-Fuller. “People aren’t interested in studying just U.S. companies, but companies all over the world,” Baden-Fuller says. “That means that the competitive advantage of non-U.S. faculty is increasing. And that means that U.S. researchers will have to engage in more international travel to keep up.”

To measure just how pronounced this trend has become, Baden-Fuller...
Surcharges Matter To Shoppers

Online retailers who offer a sale-priced item with over-the-top shipping and handling charges, beware: You might be losing more sales than you think. In the past, consumers may have failed to account for these charges in their decisions, but no more, says Amar Cheema, assistant professor of marketing at the Olin School of Business at Washington University in St. Louis, Missouri, in a paper published in the June 2008 issue of The Journal of Consumer Research.

For his paper “Surcharges and Seller Reputation,” Cheema examined four studies that incorporated information about the pricing data of online sellers, catalogs, and service providers. He looked at the effect of surcharges on buyers’ decisions in two situations: first, when sellers added surcharges to the cost of the item; and second, when sellers included surcharges in the base price. Cheema found that whether or not a buyer was likely to pay the surcharges depended heavily on how much trust that buyer placed in the seller’s reputation.

In their study, the researchers found that the U.S.’s share of research is declining at a rate of approximately 1.5 percent each year. They note that their findings should serve as a wake-up call to U.S. research institutions. In the U.S., says Mangematin, there are a limited number of universities creating PhD-level scholarship, and their methods are often rigid and expensive. “The U.S. model tends not to use teams of postdoctoral students,” he says. “European institutions, on the other hand, use large labs of postdoctoral students and specialized researchers.” That more flexible model allows institutions outside the U.S. to produce world-class research at lower cost.

The researchers argue that, to stay competitive in business research, all business schools will have to adopt an integrated approach in the ways they train researchers and conduct research. That is, they will need to combine the global emphasis on creativity and flexibility with the U.S. emphasis on robust training, intellectual curiosity, and the desire to work independently.

In their next study, the pair plans to examine the effects globalization and technology promise to have on academic research. For instance, most business schools now compete to produce general knowledge in management. However, Baden-Fuller and Mangematin predict that many business schools will choose to pursue increasingly specialized research niches. “With the entry of new players, the rules of the game may change,” says Mangematin. “Specialization strategies may be sustainable as the size of the market increases.”

The researchers also predict that newer methods of research proliferation and evaluation will lead to new ways of evaluating the impact of research. For example, the value of an article might be measured not only by its appearance in peer-reviewed journals, but also by the number of times it is downloaded online from sources such as Google Scholar and the Social Sciences Research Network. “In five years, I think we’ll see even more sophisticated ways of measuring research productivity, which will create an entirely new debate,” says Baden-Fuller.

Their current paper, “Global Contests in the Production of Business Knowledge: Regional Centres and Individual Business Schools,” was published in a recent issue of Long Range Planning.
winning bids decreased by $1.18 for every $1 sellers added in surcharges. However, for mid- to high-reputation sellers, the surcharges had little to no effect on the amount of winning bids.

In his examination of this and other studies, Cheema concluded that high-reputation sellers would do better to add surcharges at checkout, while low-reputation sellers who do the same risk losing sales. The latter group should instead combine surcharges with the cost of the product or service in the base price.

Racial Bias and Leadership

Although many companies are trying to make their senior leadership more diverse, that message still has not changed the perceptions of average Americans: They, often subconsciously, expect leaders to be white. That was the result of a study by Ashleigh Shelby Rosette of Duke University’s Fuqua School of Business, Geoffrey Leonardelli of the University of Toronto’s Rotman School of Management, and Katherine Phillips of Northwestern University’s Kellogg School of Management.

For their paper, “The White Standard: Racial Bias in Leader Categorization,” the researchers asked 943 undergraduate and graduate students with work experience to review fictitious newspaper clippings and performance reviews. The students were asked to evaluate fictitious CEOs, project leaders, and division leaders. Even when told that the racial composition of this group of leaders was 80 percent African American, Hispanic, or Asian, students consistently assumed that leaders were white when an individual leader’s race was not disclosed.

When a leader’s race was disclosed, students indicated that white leaders were more likely to exhibit the traditional characteristics of a leader—such as successful performance—than was a leader of another race. Students also rated a white leader as being more effective than a minority leader, even when the information indicated that both had achieved the same level of success.

The researchers found no relation between the race of the study participants and their responses. “Our results challenge a common explanation for racial bias—that people who are white give preferential treatment to other people who are white,” Leonardelli says. “That Americans of all races associate successful leadership with being white demonstrates just how embedded this bias can be.”

UPCOMING & ONGOING

FUND FOR STARTUPS
Officials of the Purdue Research Foundation at Purdue University in West Lafayette, Indiana, have announced a new initiative that will provide financial support to help startup companies develop their research discoveries for commercialization. The Emerging Innovations Fund will provide $1.5 million to support early-stage technologies through small, limited grants.

NEW STUDIES OF ACCOUNTING
Two accounting professors have each received $100,000 in grant funding from the Institute of Management Accountants Foundation for Applied Research (FAR). Marc Epstein, distinguished research professor of management at Rice University’s Jones Graduate School of Management in Houston, received a grant from FAR to support his investigation into how managers are making social, economic, and environmental trade-offs while simultaneously managing social and financial performance. V. Kumar, ING Chair Professor and executive director of the ING Center for Financial Services at the University of Connecticut School of Business in Storrs, also received a grant. Kumar will explore ways that managers can bridge the gap between marketing and finance/management accounting and develop a framework to measure and maximize customer lifetime value.

ECONOMICS INITIATIVE
BB&T Corporation has donated $500,000 to the department of economics and finance at the College of Charleston in South Carolina to support the Initiative for Public Choice and Market Process. In a ten-year effort to explore free enterprise and political economy, the initiative will include a course that examines the moral and ethical foundations of capitalism, a speaker series, an award for best student investigative paper on the foundations of a capitalistic economy, and grants to support research studies in the areas of public choice and free enterprise.
This study has special relevance to the 2008 U.S. presidential campaign, in which Barack Obama became the first African American to be nominated by a major political party. “He does not match the leader prototype,” says Rosette, who predicts that Obama will continue to confront challenges in his campaign—and during his presidency, if elected—as a result.

The study was published in the July issue of the Journal of Applied Psychology.

More Fuel-Friendly Road Trips

When it comes to getting from Point A to Point B, most drivers think more about how quickly they will arrive than how much fuel they will consume. But as fuel prices rise and environmental concerns loom larger, a professor at the Cranfield School of Management in the United Kingdom thinks there might be a more fuel-efficient way to plan a driving route.

Andrew Palmer, a professor at Cranfield’s Centre for Logistics and Supply Chain Management, has developed the Vehicle Routing Emissions Analysis Model (VREAM), a computer-based vehicle routing model that calculates not only the time and distance a car travels to get to a given destination, but also the amount of carbon dioxide it emits.

VREAM uses a digitized road network that contains predicted traffic volumes. It then uses available driving cycle data, which reflect acceleration and deceleration patterns, and applies formulas that optimize speed flow. In this way, the model is able to choose roads on which a vehicle can maintain optimum speeds and offer alternative routes that ease congestion, decrease fuel consumption, and reduce CO₂ emissions.

Palmer notes that he created the model not to test mathematical theories, but to “produce a pioneering basis for routing, which will provide new information and knowledge about how CO₂ emissions vary for different minimization and congestion criteria.” So far, Palmer’s research has shown that drivers who follow VREAM-generated routes can reduce their fuel consumption and emissions by more than 5 percent, providing drivers with another way to reduce their fuel costs—and their impact on the environment.

RESEARCH RECOGNITIONS

- **Lon Luo**, assistant professor of marketing at the University of Southern California in Los Angeles, and P.K. Kannan and Brian Ratchford, associate professor and professor of marketing, respectively, at the University of Maryland in College Park, have won the John D.C. Little Award from the Institute for Operations Research and the Management Sciences. They received the award for their paper, “New Product Development Under Channel Acceptance,” published in the March/April issue of Marketing Science.

- **The Tax Adviser**, a publication of the American Institute of Certified Public Accountants, has named **Lawrence Witner**, accounting professor at Bryant University in Smithfield, Rhode Island, as the winner of its 2007 Best Article Award. Witner received the award for his two-part article, “Treatment of Capitalized Costs of Intangible Assets,” which appeared in the publication’s 2007 April and May issues.

- **Candida Brush**, a professor at Babson College in Wellesley, Massachusetts, was inducted into the 21st-century Entrepreneurship Research Fellows, a group formed by the Global Consortium of Entrepreneurship Centers. Brush is the Paul T. Babson Chair in Entrepreneurship, chair of the entrepreneurship division at the Arthur M. Blank Center for Entrepreneurship, and a founding member of the Diana Project International, a research collaborative of scholars who study growth and financing strategies of women entrepreneurs worldwide. Fellows are chosen because their work is viewed to have a positive and ongoing impact on entrepreneurship research.

- **Gerald Zaltman**, the Joseph C. Wilson Professor of Business Administration, Emeritus, at the Harvard Business School in Boston, Massachusetts, has received the sixth annual Buck Weaver Award for Marketing. Established by the MIT Sloan School of Management in 2003 and sponsored by General Motors, the award recognizes individuals who have made important contributions to the advancement of theory and practice in marketing science. Zaltman’s research focuses on customer behavior and marketing strategy.
The MBA Makes IT Better

U.S. companies value business education over tech experience when it comes to hiring—and compensating—IT professionals, finds research by Sunil Mithas of the University of Maryland’s Smith School of Business in College Park and Mayuram Krishnan of the University of Michigan’s Ross School of Business in Ann Arbor.

The two researchers found that an IT professional with an MBA degree earns an average 46 percent more than a counterpart with only a bachelor’s degree; in addition, that worker earns 37 percent more than an IT professional with any other master’s degree. In U.S. dollars, that translates to $24,000 per year and $17,000 per year more, respectively.

“Education is more valuable than experience because it provides more durable and versatile conceptual skills,” Mithas notes. “In contrast, IT experience has a high rate of obsolescence—learning new technologies makes a professional valuable for only a few years when those skills are in high demand.” Mithas adds that an MBA education teaches IT professionals how to evaluate new technologies and strategically invest in and manage IT projects. Those are skills, he emphasizes, that make an IT employee versatile and valuable over the long term.

Mithas and Krishnan also found that firms place greater value on IT experience at other companies than on experience gained among their own ranks—a finding that can explain the high turnover culture in the IT profession. They also found a gender gap in earnings—women in IT earn about 9 percent less than their male counterparts.


New Kelley Campus Opens in Second Life

Indiana University’s Kelley School of Business in Bloomington has unveiled its virtual island campus on the online virtual world Second Life. Resembling the real-life campus, Kelley’s Second Life island was created for its Kelley Executive Partners program.

The new virtual campus is designed to encourage more collaboration, especially at a time when more corporations are exploring the potential of Web 2.0 technologies to save in travel costs and increase productivity, says Anne Massey, a professor in Kelley’s department of operations and decision technologies.

“In today’s academic and business environments, more often than not, individuals and teams are collaborating across boundaries of distance, time, language, and culture,” Massey says. “As the adoption of Web 2.0 and 3-D virtual worlds accelerates, new possibilities for overcoming boundaries are emerging.”

To launch the new campus, Kelley held a half-day event in the virtual world that included guest experts on virtual collaboration, tours of the virtual campus, and even a Second Life boat race to illustrate how teams can work collaboratively in Web 2.0 environments.

Trading on Technology

The trading room has become the must-have technological tool for many business schools, as the emphasis on real-time, real-world education continues to intensify. Two schools have recently launched their own trading rooms and related courses, to bring the global stock market straight to their students.

DePaul University’s College of Commerce and Kellstadt Graduate School of Business in Chicago, Illinois, recently launched its new virtual trading room for undergraduate finance students. The facility features a live electronic ticker that spans two walls of the room, large monitors to display real-time finance news, and 18 dual-monitor computer stations with access to feeds from newswire services. Computer stations also provide access to analytical tools, portfolio analytics, trading platforms, and risk management software.

Another school, the University of
Scranton’s Kania School of Management in Pennsylvania, also is taking advantage of trade room technology. It will offer a new course to teach students how to execute foreign currency trades. Students in the course will work in a simulated trading laboratory on campus, analyzing real-time data feeds and proprietary analytical and trading-simulation software. The course and the lab were funded by a $196,000 grant from Wall Street West, a governmentally sponsored initiative to provide backup solutions for New York City financial institutions in the event of a disaster.

The Kania School is working with CEREBRONIX, a New Jersey management and applied technology consulting firm. Both the course and the lab will be developed by Ioannis Kallianiotis, professor of finance and economics, and adjunct professor Robert Colombo, president and founder of CEREBRONIX.

“If you are a global company, you must ultimately pay your bills with the currency of the country with which you are transacting business,” says Colombo. These companies, he adds, also will want to take advantage of favorable exchange rates to “stockpile” money that they can spend later, when economic conditions go south. These global trends, he argues, make it even more important for students to have some trading room experience, even if they don’t end up on Wall Street.

**TOOLS OF THE TRADE**

**New Tool to Tap Mobile Learning**

New audience response technology allows schools to poll students via mobile devices.

At a time when almost every student possesses at least one mobile communication device—be it cell phone, PDA, or laptop—more higher education institutions are looking for ways to tap into those devices for educational delivery.

A new product from Turning Technologies offers professors a way to engage their students even outside the classroom. Through ResponseWare Web, a Web-based polling application, professors can post interactive PowerPoint questions to their students; questions can be in single response, multiple response, fill-in-the-blank, and essay formats. Students can answer using any standard Web browser via Internet-connected devices such as cell phones, PDAs, and laptops, as well as standard desktop computers. Their responses can then be transferred to an interactive polling slide to be presented to an audience via an LCD projector. ResponseWare provides a way for professors to tap the potential of mobile devices to deliver education, says company CEO Mike Broderick. ResponseWare is certified for use on the AT&T wireless network. Turning Technologies currently is working with other telecom carriers so that users can access the application through other networks as well.

For more information, visit www.turningtechnologies.com.
Technology

U of Maryland Launches Mobility Initiative

This fall, the University of Maryland launched a pilot study to test whether handheld devices such as the iPhone can improve students’ educational experiences. To that end, 150 new students were selected to receive either an iPhone or an iPod touch device during orientation.

The school’s admissions office and office of information technology are spearheading the initiative through a steering committee made up of faculty, staff, and students from across campus. The initiative will explore how professors might use mobile technologies to enhance the classroom learning experience, how connectivity might promote faculty-student interaction, and how mobile devices might help students manage their time and navigate campus more effectively.

Over the course of the semester, students will take part in a series of faculty-led meetings to test the integration of the devices in classroom settings and brainstorm ideas to identify new uses of the technology.

“If the technology will help make a large university smaller and more accessible, that’s important,” says Jeffrey Huskamp, the school’s vice president and chief information officer. “If it can enhance learning, then we need to find out.”

NEWSBYTES

WEB FOR ALL
According to Computerworld, World Wide Web inventor Tim Berners-Lee will launch a new foundation whose mission will be extend the Internet to those who still lack access to the technology—about 80 percent of the world’s population. By making the Internet accessible to all, the World Wide Web Foundation also will aim to promote democracy and free speech, improve healthcare, and advance Internet technologies. The foundation will be funded initially by a $5 million grant from the Knight Foundation, a nonprofit dedicated to improving journalism.

ALL-IN-ONE TOOL FROM YAHOO!
Yahoo! recently launched oneConnect, a new product that allows users to create address books and communicate with contacts across multiple channels, including e-mail, IM, SMS, and social networks. Users also will be able to view all activity within their networks, and locate and interact with nearby Yahoo! oneConnect users. For more information, visit mobile.yahoo.com/oneconnect.

WI-FI FOR ALL
Wireless networks will be found in 99 percent of North American universities by 2013, according to a report from ABI Research, a New York-based technology research firm. Advances in technology, increase in demand, and widespread adoption of “anytime-anywhere” learning will drive rapid implementation of wi-fi technology, the report predicts. To purchase the report, “Wi-Fi in the Education Vertical,” visit www.abiresearch.com/products/market_research/EDU.

UTSA RECEIVES NSA NOD
The College of Business at the University of Texas at San Antonio was redesignated as a National Center of Academic Excellence in Information Assurance Education by the U.S. National Security Agency and Department of Homeland Security. The five-year designation, which originated in 2002, has been granted to 93 higher education institutions in the country. The college’s department of information systems and technology management offers courses and conducts research in biometrics, cyber forensics, data mining, and intrusion detection. The college also offers an infrastructure assurance concentration as part of its master degree and bachelor degree curricula.

NEW FACILITY AT SCU
Santa Clara University’s Leavey School of Business has opened its 86,000-square-foot, $49 million Lucas Hall. The three-story facility includes 12 classrooms, 16 team project rooms, and six conference rooms. All include Cisco-based networking and telecommunications technology, high-definition video and voice technology, and wireless Internet connection.
Education for the Undergrad

Business schools do an excellent job of educating their own students, whether at the undergraduate or graduate level, but they’re failing in their responsibility to make sure nonbusiness students at their home universities are receiving a proper education. That’s because, when universities develop their core curricula, so few business faculty take part in the process.

At most schools, the core curriculum is packed with requirements from the arts and sciences fields, while business topics are largely overlooked. But considering how many graduates business schools turn out, this lack of representation doesn’t make sense. For instance, the National Institute for Educational Statistics says that, in the 2003–2004 school year, more than 905,000 bachelor’s degrees were awarded in the U.S. Of those, nearly 178,000 were business degrees—close to 20 percent of the total. By comparison, 25 percent went to arts and sciences students in a wide array of fields, including literature, language, humanities, math, philosophy, and history. At some individual universities, business schools actually graduate the highest percentage of students.

But while there’s a far greater concentration of students majoring in business than in any arts and sciences discipline, business schools are not well represented in discussions on undergraduate education, at least in the U.S. For instance, none of the ten members of the Boyer Commission on Educating Undergraduates in the Research University have a business school affiliation.

My own school, the University of Kentucky, reflects this imbalance in microcosm. Approximately 20 percent of the bachelor’s degrees given out by the university are awarded by the Gatton College of Business and Economics and 25 percent by the College of Arts and Sciences. However, none of the 14 members of UK’s University Studies Committee for 2005–2006 was a faculty member of the Gatton College. Of the 13 members of the school’s General Education Reform and Assessment committee, seven were faculty—but until 2007, none were from Gatton. Our associate dean for undergraduate affairs now serves on the university’s General Education Steering Committee.

Perhaps, in the past, business school faculty and administrators have been too busy or too apathetic to agitate for a chance to help develop the curricula at our schools. But not only does this mean our topics are sorely underrepresented in general education, it also means we are shirking our responsibility to educate all students.

Graduates with baccalaureate degrees will enter a world that is amazingly complex. Computational power is growing at a phenomenal rate, data is increasingly abundant, and research laboratories—big and small, American and international—are brimming with inventions. Research constantly reveals more secrets about life and even challenges what life is. The sublime creativity of humans is reflected in ever more bold and subtle art forms. Distances matter less. Conflicts are about larger and larger matters, but even though many are rooted in historical events, most of these conflicts are about contemporary power.

All undergraduate students should have a platform from which to live in such a world. All undergraduates should know how to build better lives through innovation, how to understand their consumption choices, how to develop and foster the best economic institutions, and how to create enough wealth to achieve the standards of living they desire. I believe that if business faculty participate in undergraduate curriculum development, we can prepare all students—not just business students—to succeed at these tasks.

What can business schools offer to undergraduates? I see five areas where we can enrich their lives.

First, we can expose them to the experience of conducting business research. Researchers develop curiosity, awareness, openness, and adaptability as they test, explore, and innovate. These skills will help graduates understand their world and navigate change, no matter what their situations.

Second, business schools can make sure that all students are business literate. Undergraduates may not know where their career paths will take them. If, for instance, they choose to live in the U.S., they will be immersed in the American capitalist system. They will have to maneuver through this system for both personal and professional purposes, and they should know how it works.

For example, currently about half of the U.S. population owns shares in publicly traded companies. By the year 2025, this number could reach 65 percent. Furthermore, more
Innovation is very much in vogue in business these days, and Kaihan Krippendorff puts an intriguing spin on the concept, viewing it through the lens of Eastern philosophies. In *The Way of Innovation*, he brings Chinese and Indian sensibilities to the notion of change, particularly examining how the “inmaterial” world of feelings and perceptions influences the “material” world of things that can be touched and seen. He guides readers through the inescapable cycle of change as institutions pass sequentially through states of existence. In the rigid phase of *metal*, discontent causes a shift to *water*, which is full of fluidity and imagination. Water solidifies to *wood*, or the formation of ideas; *fire* results, bringing change with disorder and speed. Eventually the innovation matures into *earth*—until it becomes so rigid it turns back to metal and is ripe for another makeover. There’s something very peaceful about reading a business text founded on ancient principles, despite the fact that Krippendorff is just as urgent about the necessity for innovation as any other business consultant. Yet, presented in this fashion, his advice seems logical, insightful, inevitable, and eminently achievable. (Platinum Press, $14.95)

**Most top executives understand that a business cannot succeed without a well-thought-out strategy, as well as an efficient approach to operations.** What many CEOs fail to realize is that the two must be executed together. In *The Execution Premium*, Robert S. Kaplan and David P. Norton spell out the interdependence of the two management imperatives.

"A visionary strategy that is not linked to excellent operational and governance processes cannot be implemented," note the authors, who also wrote *The Balanced Scorecard*. Conversely, they point out, "A company is not likely to enjoy sustainable success from its operational improvements alone.” It’s their notion that high-performing companies need to create “the office of strategy management (OSM),” a position that aligns strategy and operations throughout the entire enterprise. The book is a pretty dense read, with detailed and subdivided descriptions of the six steps a business must follow to successfully integrate strategy and operations. But the reward is potentially huge for business leaders who implement their recommendations. (Harvard Business Press, $39.95)

Wall Street places high value on companies with strong brand recognition, but consumers aren’t so impressed, and that mismatch in attitudes could lead to a painful reordering of the market. That’s the central premise behind *The Brand Bubble* by John Gerzema and Ed Lebar, both of marketing giant Young & Rubicam. Drawing on years’ worth of research, the two authors have determined that customers show much less faith in and fondness for brands than they did in the past—and this despite the fact that companies pour millions into building brand identity. Some branding strategies do work—such as those used by Google, Apple, and Nike—and Gerzema and Lebar offer a new take on why. In their words, these brands have “Energized Differentiation.” They are constantly reinventing themselves, creatively experimenting with new products, and giving the impression that they are already working on the future innovations that customers will prize. "The lesson for today’s brand world is that in order for a brand to sustain consumer interest, it can’t just be different; it has to *keep* being different," the authors...
people are investing in stocks at a younger age. At the same time, more corporations are moving away from defined benefit plans and toward defined contribution plans, which means workers will need to know how to manage their own retirement money. As people live longer, they will have to care for themselves well into old age—and an important part of that is making sure they have enough money to do so.

Clearly, graduates of our baccalaureate programs need to have a sophisticated understanding of their financial affairs. When business schools help craft the undergraduate curriculum, they can make sure students receive the financial and accounting education they need to create and maintain their financial well-being.

Business schools also can make sure students have the *global marketing* education they need to engage with the world. The ubiquitous availability of information, the rapid globalization of university education, and the ease of international travel and commerce mean that most college graduates will interact with foreign countries, cultures, and currencies sometime in their lives. An undergraduate education that includes a grounding in business can help prepare them for these transactions.

At the same time, as they interact with people around the world, students will export the values they developed at their homes and in their schools. Has their undergraduate education prepared them to understand the *economics* of their own countries? Do they understand how to engage in discourse about societies and economies based on models other than their own?

Finally, a curriculum that includes business education will turn graduates into leaders of *innovation*. No matter what jobs our students take after graduation, they will need to be inventive thinkers who can solve problems, entertain new ideas, and add economic value to any enterprise.

The truth is, all undergraduates will have to compete in a world that constantly produces new technologies, new scientific discoveries, new media, and immense data sets. They will need superb communication skills, finely honed decision-making abilities, a broad awareness of the world, and a passion for innovation. Thus, they will need a foundation in finance, accounting, global marketing, innovation management, and economics—which they only can receive from a core curriculum that incorporates the basic tenets of business.

When universities are developing their core curricula, business schools need to be at the table. If they are not invited to participate, they need to step up and offer their expertise. I believe that we have an imperative to contribute to the general education of our undergraduates so they can provide leadership—no matter where in the world their careers take them.

D. Sudharshan is dean of the Gatton College of Business and Economics at the University of Kentucky in Lexington.
write. As they break down the tactics used by top brands, they offer great suggestions for other companies trying to differentiate themselves—and thrive. (Jossey-Bass, $27.95)

**Geoff Colvin** doesn’t believe superstar athletes, artists, or CEOs were born any more special than ordinary folks. He makes his bias clear upfront by titling his book *Talent Is Overrated*—and he offers piles of data showing that even so-called prodigies are not gifted with inborn talent or incredible memories that put the rest of us to shame. No, Colvin says, what truly distinguishes wildly successful people in any field is a devotion to what he calls deliberate practice. “It is an activity designed specifically to improve performance, often with a teacher’s help; it can be repeated a lot; feedback on results is continuously available; it’s highly demanding mentally…and it isn’t much fun,” he writes. He makes a persuasive case that even Mozart and Tiger Woods became so phenomenally successful because they started training early, under the tutelage of dedicated fathers, and they put in more hours of hard work than any of their peers. Even readers who secretly believe they reached the tops of their games a long time ago will find themselves wondering what they can accomplish if they take Colvin’s approach and practice for greatness. (Portfolio, $24.95)

**James M. Kouzes and Barry Z. Posner** don’t consider leadership the prerogative of the charismatic individual—or even simply the adult with a well-paying job. In *Student Leadership Challenge*, they present their leadership lessons in a format designed to appeal to college students, whether they’re taking business classes, running a volleyball tournament, or organizing a sorority. The basic formula tallies with the one they have described in their other books on the topic—be a role model, share your vision, challenge the status quo, enable others, and offer encouragement—but packaged for somewhat younger readers struggling with their first challenges as leaders. “Leadership is everyone’s business,” they write, and they know that no one is too young to learn it. (Jossey-Bass, $25)

What do you wish you’d known before you became CEO? Umesh Ramakrishnan has posed a variation of that question to executives in all industries all over the world, and he distills their answers in *There’s No Elevator to the Top*. Many of the insights he offers are not particularly new: Have a passion for what you do. Never stop learning. Listen. But these curiously disarming CEOs also talk frankly about the benefits of taking a “zigzag” course to the top office, keeping employees in the loop, and maintaining relationships with friends and family. Even so, no one minimizes the challenge of being a CEO in today’s business environment. Ramakrishnan quotes John Kealey of iDirect, who says that a career trajectory used to be like hiking up a mountain, with the summit always in view. Today, says Kealey, “we’re rock climbing … . We’re just kind of working our way up the side not quite sure where we’re going or where the next turn is.” These CEOs thoughtfully share with others what they’ve learned about making that uncertain journey. (Portfolio, $24.95)

*The Integrity Dividend* by Tony Simons offers evidence that managers who demonstrate integrity and keep their promises will run demonstrably more successful companies. Simons, an associate professor at Cornell University, summarizes research he conducted with employees of a large hotel chain. “Where employees reported high integrity on the part of their managers, we saw deeper employee commitment, leading to lower employee turnover and superior customer service, all leading to higher profitability,” he writes. A manager’s “behavioral integrity” shapes an organization’s internal culture and external perception; it even has an effect on how customers feel about the trustworthiness of the brand. But it pays for managers to be concise and explicit about what they offer and expect. “You need to develop a very few values that you will absolutely live by and then repeat them every chance you get,” writes Simons. He isn’t advocating “drafting up a statement of values that sits in a desk drawer,” a practice he considers toxic. He’s merely laying out the payoff a manager can get when “your word of steel is as valuable as gold.” (Jossey-Bass, $27.95)

**It turns out you actually can put a dollar value on trust.** In *The Integrity Dividend*, Tony Simons offers evidence that managers who demonstrate integrity and keep their promises will run demonstrably more successful companies. Simons, an associate professor at Cornell University, summarizes research he conducted with employees of a large hotel chain. “Where employees reported high integrity on the part of their managers, we saw deeper employee commitment, leading to lower employee turnover and superior customer service, all leading to higher profitability,” he writes. A manager’s “behavioral integrity” shapes an organization’s internal culture and external perception; it even has an effect on how customers feel about the trustworthiness of the brand. But it pays for managers to be concise and explicit about what they offer and expect. “You need to develop a very few values that you will absolutely live by and then repeat them every chance you get,” writes Simons. He isn’t advocating “drafting up a statement of values that sits in a desk drawer,” a practice he considers toxic. He’s merely laying out the payoff a manager can get when “your word of steel is as valuable as gold.” (Jossey-Bass, $27.95)

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*Student Leadership Challenge* by James M. Kouzes and Barry Z. Posner

*There’s No Elevator to the Top* by Umesh Ramakrishnan

*The Integrity Dividend* by Tony Simons

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*Image 227x600 to 305x710*

*Image 23x271 to 97x384*

*Image 208x30 to 292x151*

*Image 481x383 to 543x503*
Operation: Entrepreneurship

John Reed served tours of duty in Iraq and Afghanistan in the U.S. Army before combat injuries forced him to retire. Today, he wants to learn the skills required to start his own business. The Entrepreneurship Bootcamp for Veterans with Disabilities (EBV) program is designed to help Reed and other disabled veterans do just that.

Launched by Syracuse University in 2007, the EBV offers free business training to veterans to help them make the transition from battlefield to business. Since its first 20-student cohort, the EBV has expanded to include a consortium of four schools, including Syracuse University’s Whitman School of Management in New York; Texas A&M University’s Mays Business School in College Station; UCLA’s Anderson School of Management in Los Angeles; and Florida State University’s College of Business in Tallahassee. All EBV programs accept applications on a rolling, first-come-first-served basis.

The schools in the consortium offer the program in three phases. Phase I is a self-directed online study session. Phase II is a nine-day workshop that requires students to travel to their participating EBV university. Finally, Phase III is a 12-month process of faculty support and mentorship to help each student bring his or her business plan to life. Faculty give participants a foundation in topics such as innovation, marketing, sales, and strategy. Vets also visit local small companies and hear guest entrepreneurs speak about the challenges of running real-world businesses.

The EBV curriculum was designed with the help of Syracuse University’s Burton Blatt Institute, which promotes the civic, economic, and social participation of persons with disabilities. For EBV participants, these disabilities can range from hearing loss and amputation to anxiety and post-traumatic stress disorder.

Reed came to Mays’ EBV program with hearing loss, damaged knees, and emotional scars. In spite of these difficulties, he hopes to turn his 30-acre horse-and-cattle ranch in Gatesville, Texas, into a refuge for soldiers and their families. Natasha Espinoza, a young Purple Heart recipient, hopes to open a “sneaker boutique.” And Donald Martinez, who recently left the Army with injured wrists and post-traumatic stress, wants to open a financial advisory business that helps young soldiers plan for financial security after their service.

After these soldiers return home, many need help in fulfilling their dreams and potential, says Mike Haynie, assistant professor of entrepreneurship at the Whitman School. Haynie also is a former major in the U.S. Air Force and the creator of the EBV program. “By offering veterans with disabilities the tools to create and grow their own businesses, we are helping them fight yet another battle—the battle for their own economic freedom,” says Haynie.