



Establishing a Modern Business Degree Education Program

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Abstract

Business schools are required to constantly update their curricula to keep up with development in the business environment as well as to maintain competitive edge over other institutions in the academic sector. This paper addresses that need by proposing a methodology on how to device and construct a bachelor's degree program in business, as well as MBA program that will be both effective and appealing to prospective students.

Keywords: Business Education; MBA Program; Business School.

1. Introduction

Business education and business degree programs represent a growing field, with more than 1600 schools across the U.S. providing some form of business education and more than 780 business schools with AACSB accreditation and more than 100,000 MBA degrees awarded annually (AACSB, 2016; GMAC, 2015; NCES, 2016). However, there is a great variety between these programs in terms of philosophic approach, curriculum, and pedagogy (Clinebell & Clinebell, 2008; O'Dwyer et al., 2009).

Among the many issues debated by scholars and the different routes taken by various business schools, the fundamental decision is whether to emphasize rigor academic business education or real-world relevance (Datar et al., 2011; Thomas & Cornuel, 2011), whether the program should be focused on a specific area in management or adopt a multidisciplinary approach in collaboration with other departments (Clinebell & Clinebell, 2008; Ducoffe et al., 2006), determining who are the most important stakeholders of the program so that their interests should have higher priority (Schlegelmilch & Thomas, 2011; Thomas et al., 2013), what would satisfy students and business organizations in terms of employability in the labor market (Andrews & Higson, 2008; Matlay, 2008; Rae, 2007); and what learning methods should be preferred (Cook et al., 2012; Clinebell & Clinebell, 2008; Hoffman et al., 2016; Peterson, 2004).

The question as to whether there is a single best practice has been addressed by Datar et al. (2011) who concluded that there is no single best way or 'one-size-fits-all'. Thus, business education programs should be tailored for each specific institution according to its specific underlying philosophy, goals and major stakeholders (Clinebell & Clinebell, 2008; Datar et al., 2011).

With such a large variety of business degree programs, as well as multiple concepts and ideas as to what should be their curriculum and pedagogical approach, the task of planning a new or revised program appears daunting. Thus, to help coping with the task and come up with a suitable program for any academic institution, a systematic methodology on how to plan such a business program is offered in this paper.

2. Review of Literature

Over the years, the number of business schools and business degree program has grown tremendously. There are 789 business schools in 53 countries that have earned AACSB Accreditation, with 517 schools across the United States (AACSB, 2016). It is estimated that, today, some 1,600 schools in the U.S. provide business, management and entrepreneurship education, offering more than 2,200 courses (Charney & Libecap, 2000; Kuratko, 2005;

Solomon, 2007). Those are provided through a diverse range of educational programs from a single elective course to bundles within concentration, to two-year and four-year degree programs (Solomon, 2007). According to the National Center for Education Statistics in the U.S. (2016), around 360,000 Bachelor's degrees were conferred in 2014–15. With regard to MBA programs, in the U.S., there are more than 250,000 students enrolled and more than 100,000 MBA degrees awarded annually (GMAC, 2015).

The growth in business education programs reflects its importance in several aspects. First, for students, higher education in business serves the cause of employability and potential for higher income over the years. Second, business education has been shown to have a positive effect on economic growth and development, particularly in today's competitive economic environment (Muller et al., 1997). Third, the 'business of business schools' means that programs of business education serve to create high revenues for education institutions, reflecting the business side of academic institutions. Thus, a question arises as to whether there is a best practice for business degree programs in serving all three stakeholders – students, institutions and national economy. As many experts in the field have suggested, there is no universal best practice everybody should use; rather, institutions have to tailor a specific and distinctive program that fits their education philosophy, goals, audience and capabilities (Datar et al., 2011).

An on-going debate concerns whether programs of business education should promote theoretical academic viewpoints or adopt a more real-world practice (Datar et al., 2011). Over the years, the dominant approach has fluctuated between the two opposing schools of thought. The recommendations made in the Ford & Carnegie Reports (1959) have promoted the academic, theory-based approach. However, later on and following critiques of being far disengaged from the real business world, the paradigm of business schools shifted to a more practice-based approach (Datar et al., 2011; Clinebell & Clinebell, 2008; Thomas & Cornuel, 2011). Moreover, others have suggested that the curriculum and pedagogical approach should be balanced between theory and practical hand-on learning experience (Datar et al., 2011; Clinebell & Clinebell, 2008; Thomas & Cornuel, 2011).

With the basic assumption that a business education program should be tailored to specific audiences, schools explored the question of who the most important stakeholders would be for such a program. Findings suggested that students were identified as key stakeholders in business education, as expected in alignment to being the principal consumers, with business organizations placing second and faculty and university third (Thomas et al., 2013). However, in contrast to this priority of importance, the most influential stakeholders have been found to be faculty. This implies that education programs are tailored to better suit the academic pursuits of faculty, rather than being optimized for the needs of student and business organizations (Clinebell & Clinebell, 2008; Schlegelmilch & Thomas, 2011; Thomas et al., 2013).

Given the two most important stakeholders—students and business organizations—the issue of employability has been considered as having high priority in structuring the curriculum of business education (Rae, 2007). Education programs should promote the knowledge and skills that are highly relevant to the managerial labor market (Rae, 2007). Such an approach will benefit both graduates and employers, as well as local communities and the economy at large (Andrews & Higson, 2008). Some studies have indicated that graduates of many business education programs did not acquire skills, knowledge and attitudes that match the needs of employers in the job market (Teichler, 2003; Elias & Purcell, 2004; Matlay, 2008). Although employability is a vogue concept, it may include soft skills such as business-specific issues, interpersonal competencies, ability to plan and think strategically, information technology knowledge and good written and verbal communication skills (Andrews & Higson, 2008).

With regard to the curriculum taught in business education programs, different and opposing concepts have been advocated and practiced. One approach concerns specialization by focusing much of the program on a specific area of business and management such as entrepreneurship or industrial management. The other and opposing approach advocates a multidisciplinary integration (Ducoffe et al., 2006) that includes additional subjects such as globalization and information technology (Cordell, 2001), ethics and corporate social responsibility (Crane, 2004), as well as variety of soft skills to enhance effective management and leadership (Navarro, 2008). Still others include an even wider scope of studies that could be achieved through cooperation of business schools with other departments within the academic institution (Navarro, 2008).

Whether personality-oriented 'soft skills' can be taught has been a subject of on-going debate among scholars (Matlay & Carey, 2007, Matlay, 2008). Some scholars have argued that such soft skills cannot be created through education, although some education can contribute to improve such skills (Adcroft et al., 2004; Henry et al., 2005; Solomon, 2007). Those arguing that leaders and entrepreneurs are born, not made, claim that the unique characteristics of leaders and entrepreneurs, such as charisma, visionary mind-set, energy and passion towards the adoption of new ideas, cannot be acquired through education (Garavan & O'Conneide 1994; Henry et al., 2005; Solomon, 2007). Others have suggested that, although personality and knowledge are not the same, there are some overlapping areas that can be taught (Kuratko, 2005). Thus, there is no consensus as to what level soft skills studies should be incorporated within the curriculum of management education (Florin et al., 2007).

Faculty and research scholars have been looking for the best and most effective pedagogical approach for business degree programs. Those stressing the need for core academic knowledge have advocated traditional teaching methods such as lectures, textbook readings, research, case studies and academic papers (Clinebell & Clinebell, 2008; Hoffman et al., 2016). Others, who have promoted a more practical real-world approach for the education program, advanced active learning practices such as group learning, simulations and proactive problem solving, as well as acquiring knowledge through hands-on activities such as field-based consulting to businesses and internships (Cook et al., 2012; Peterson, 2004; Rae, 2007; Godfrey et al., 2005; Andrews & Higson, 2008). However, others have pointed out that real-world learning fails to meet measurement and assurance provisions regarding knowledge acquisition and retention (Ames, 2006). Yet, others claimed that too much emphasis on experimental learning results in a lack of academic rigor (Godfrey et al., 2005). This has led to the understanding the learning methods should strike a balance between 'old school' formal learning and outside the classroom active learning (Clinebell & Clinebell, 2008; O'Dwyer et al., 2009).

The review of the literature leads to the understanding that, for the purpose of planning a program for business degree education, whether revising an existing program or planning a new one, the institution should take into account the various considerations discussed above. Hence, a methodological approach to design an optimal business education program is offered next.

3. Methodology

A methodology and systematic approach for developing a program for business degree is presented, drawing on extensive literature review and actual usage. The process of education program development comprises several stages, including:

Stage 1 – Setting Strategic Direction

Stage 2 – Needs Analysis

Stage 3 – Defining Program Goals

Stage 4 – Identifying Program Content/Curriculum/Courses (Courses, Content and Sequence)

Stage 5 – Selecting learning Methods/Pedagogy

The development process is shown below (see Figure 1).



Fig 1: A process for developing a business degree program

3.1 Stage 1 – Setting Strategic Direction

Strategic direction and basic assumptions have to be defined first and will serve to guide the whole process of program development. Strategic guidelines should address the following issues:

The Underlying Philosophy of the Institution:

Academic institutions differ in philosophic orientation. Some universities are research-intensive institutions, while others emphasize contributions to local communities, yet others are more profession oriented. Moreover, outcome must be regarded as having higher priority—is it academic rigor or employability. The philosophic orientation of the institution has to be acknowledged as it provides the stepping stone for the overall design of the program.

Budget Availability:

The design and running of the education program will need certain levels of financial resources, depending on the exact program content. Thus, there is a need to understand budget considerations and constraints. First, there is a question of who controls the specific budget for the program. Some institutions run a centralized budgeting system while others delegate the responsibility to the schools that run the programs. Additionally, more financial resources may be provided to schools and department that generate the highest revenues for the institutions. Yet, another point to consider is the tuition level that the institution is planning to charge.

Program Differentiation:

The program has to have a unique selling point to draw potential students. This could be achieved by differentiating the new program from other programs that compete in the subject field or geographical location. This calls for accurate mapping of the competitors.

School Academic Staff:

The nature, characteristics and influence of faculty staff plays significant role in the design of the program. There is the question whether the staff is academic and research oriented or whether it comprises educators with real-world business experience. Different faculty cadres may dictate different orientations of the program. Additionally, the influence of staff has to be identified to consider the level of freedom in devising the new program. It is assumed that higher tuition fees may reduce the faculty's relative power (Thomas et al., 2012) (25).

Major Stakeholders:

Stakeholders should be defined, particularly those with the most influence and power, as well as their respective interest. Such stakeholders can include potential students, businesses, local communities, faculty and organizations that are candidates to form cooperation in relation to running the education program.

3.2 Stage 2 – Needs Analysis

A needs analysis must be done for all stakeholders of the program—students, businesses and communities. First and foremost, the needs of the prospective students must to be identified. This should start by identifying the target audience that would be interested in the program. This is similar to a market segmentation for a product, and should be aligned with the underlying philosophy of the institution as identified in stage one above. What are these students looking for? What is their background and knowledge? Are they looking mainly at employability or rigorous academics for further post-graduate education? Second, the needs of other influential stakeholders must be identified. This could refer to serving the needs of local communities, businesses and other partners.

3.3 Stage 3 – Defining Program Goals

The definition of the goals of the education program stems from the previously defined strategic direction and analysis of stakeholders' needs. Program goals can be defined via several dimensions, including (a) focus on employability through a higher share of practical training or favoring traditional academic disciplines including theory-based knowledge and research, or any combination between theoretical approaches and practical skills; (b) adopting specializations in specific management areas such as entrepreneurship, industrial management, logistics, human resources management or small business management; or (c) an interdisciplinary approach that offers a broad and diverse education, in cooperation with other faculty within the institution, thereby fostering an ability to deal with contemporary real-world complex issues.

3.4 Stage 4 – Identifying Program Content/Curriculum/Courses (Courses, Content and Sequence)

The design of the curriculum for the whole program involves several components: identifying the list of courses that comprise the program and the content of each course, defining learning objectives for each course and setting the sequence of the courses within the program. The list of courses is driven by the program goals as set forth in the previous stage. An effective way to do so is by going backward from the goals, similar to 'reverse engineering', to come up with the required subject areas and content of the courses that actually lead to achieving those goals. Then, learning outcomes have to be defined for each course within the program. Learning outcomes are statements that describe a competency or performance capability to be acquired by the student, and that can be reliably demonstrate at the end of a course. The defined learning outcomes will serve to derive the content of each course. Finally, the sequence of the courses has to be decided according to the prerequisite method, by which advanced courses which require prerequisite knowledge are placed after basic courses that provide such knowledge.

3.5 Stage 5 – Selecting Learning Methods/Pedagogy

Appropriate teaching techniques should be selected for the various courses with the purpose of having highly effective learning. The selection of learning methods should balance between traditional approaches based on highly structured lectures, textbooks, and formal assessment of students' performance on the one hand, and, on the other hand, active learning and engagement outside of the classroom such as participation in real-world business situations. As a rule-of-thumb, introductory and basic knowledge courses should use the more traditional 'old school' learning methods, while the more advanced courses later in the program should use active and participatory methods that promote higher levels of thinking.

4. Discussion and Conclusion

A methodology for the systematic planning of business education program is offered in this paper. This methodology supports a careful planning of the various aspects pertaining to the curriculum and pedagogy of a complete education program, while considering multiple options, balanced between opposing options such as academic approaches and real-world practice. Through this methodology, a business school will be able to come up with the most suitable program that will create a distinction and attract the target audience, while adhering to the education philosophy of the institution.

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