

Cambridge University Press
978-0-521-86511-1 - The Business School and the Bottom Line
Ken Starkey and Nick Tiratsoo
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The Business School and the Bottom Line

In recent decades business schools have become important components of higher education throughout the world. Surprisingly, however, they have been the subject of little serious study from a critical perspective. This book provides a sober and evidence-based corrective, charting the history and character of business schools in the light of current debates about the role of universities and the evolution of advanced economies. Previous commentators have viewed business schools as falling between two stools: lacking in academic rigour yet simultaneously derided by the corporate world as broadly irrelevant. Over-concern with criticism risks ignoring the benefits of reform, however. What business schools need is reconfiguration based on new relationships with academia and business. Such change would deliver institutions that are truly fit for purpose, allowing them to become key players in the twenty-first century's emergent knowledge societies. This timely critique should be read by academics and policy-makers concerned with the present state and future development of business education.

KEN STARKEY is Professor of Management and Organisational Learning and head of the Strategy Division at Nottingham University Business School. He is a former chair of the British Academy of Management Research Committee and a fellow of the Sunningdale Institute of the National School of Government. He is the author of ten books, including *How Organisations Learn* (2004).

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'Business schools play a key role in higher education and in the economic institutions that drive modern societies. Yet little systematic scholarship has been devoted to understanding and improving them. Starkey and Tiratsoo fill this gap admirably. They trace business schools' evolution globally; identify the diverse demands facing them today; describe their approaches to teaching and research; and provide reasonable prescriptions for their future success. This book is essential reading for all of us – administrators, faculty, students and corporate leaders alike – who want (and need) business schools to thrive.'

Thomas G. Cummings, Professor and Chair, Department of Management and Organization, Marshall School of Business, University of Southern California

'This is an important book. How academic institutions are managed so as to create strong, positive societal values is key – and this is what the book is all about. A must-read!'

Peter Lorange, President IMD and the Nestlé Professor

'This book provides critical and valuable insights into the understanding of the challenges business schools are facing in the current world as a result of globalisation trends. This thoughtful and constructive analysis will contribute to improve their leadership and governance – a top priority in making a positive impact not only in management education worldwide but also in society as a whole.'

Fernando Fragueiro, Dean, IAE Business School, Austral University, Argentina

'Increasingly influential – and increasingly criticised – there is no better gathering of facts about what's going in business schools than this work from two experienced authors who have read, probed and interviewed widely. Especially fine are their analyses of the changing relationship between town and gown; chapter 6 is a jewel. Their no-holds-barred remarks about the weaknesses of today's business school strategies, and the possibilities for tomorrow's, are simply the best available in this globalising discussion.'

J.C. Spender, Svenska Handelsbanke, Fulbright-Queen's Research Professor, Queen's University, Canada, and Lund University School of Economics and Management, Sweden

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During the course of our research we interviewed a large number of people, who agreed to talk to us on condition that they remain anonymous, and we would like to take this chance to thank every one of them again, especially because, without exception – almost! – they answered our insistent badgering thoughtfully and with good humour.

Many other people have assisted us, and we acknowledge, in particular, Lars Engwall, Guiliana Gemelli, Gerry Johnson, Andrew Pettigrew, David Tranfield, John Wilson and Vera Zamagni (who helped launch the various debates that provoked our initial interest in business schools); Armand Hatchuel and Rolv Petter Amdam (who provided important entry points into the world of non-Anglo-Saxon management); Sandra Baum, Mark Clapson, Terry Gourvish, Clive Holtham, Keri Minehart, Robert S. Sullivan, Sylvia Tiratsoo, Jim Tomlinson, Nigel Waite, Paula Parish and team at Cambridge University Press; and participants at a 2005 seminar at the Business History Unit, the London School of Economics and Political Science, especially Forest Capie and Roy Edwards.

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Of course, while we have benefited greatly from the help of everyone mentioned, we alone accept responsibility for the argument that follows.

Prologue

A CAUTIONARY TALE

In May 2006 a large group of Nukak-Makú leave the Amazon jungle and arrive at San José del Guaviare in Colombia, ready to join the modern world.¹

They are leaving the nomadic life of the hunter-gatherer, where the staples of life are killing monkeys for meat and collecting berries and nuts. Ill-adapted physically and mentally to the demands of the new life that they are seeking, and susceptible to illnesses they have not encountered before, they have no sense of how the new world in which they find themselves works. Crucially, they have no concept of money or of property. They think that the planes that they see in the sky overhead are moving on an invisible road.

It is not clear why the Nukak have acted. Perhaps the relentless struggle for existence has worn them down. It is also possible that they have been driven out by the Green Nukak, bands of Marxist guerrilla fighters, or been displaced by farmers growing coca to make cocaine. The Nukak are a peace-loving people and not prone to fight to defend their territory. Previous Nukak arrivals from the jungle have received state aid and housing and have come to enjoy the benefits of pots, pants, shoes, caps, rice, flour, sugar, oil, eggs, onions, matches, soap, housing and medical attention. This new group aims to follow suit. Having quickly learnt the value of money, their aspiration is to grow plantains and yucca, and to sell these and use the money they earn to exchange for other possessions.

Assuming an optimistic scenario, one can imagine them finding suitable land, close to town but also close to the jungle. They will learn the agricultural skills necessary for their new life. Their children will go to school to gain the benefits of an education so that

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they can join ‘the white family’, and they will also be able to retain their own traditions and the Nukak language, which is what they want. In the fullness of time, Nukak children will become fully integrated. They will receive primary and secondary education and some will go to university, where they might study for a management degree.

They might even go on to do graduate work and study for an MBA (Master of Business Administration), one of the world’s most popular university qualifications! They might then become successful business people, joining one of the world’s large multinationals, perhaps a forestry company or a pharmaceutical company, in which their knowledge of the jungle would prove a core competence. They might be more entrepreneurial, perhaps developing a niche ecotourism outfit, specialising in jungle adventures for the environmentally conscious traveller.

The Nukak story encapsulates in miniature the trajectory of human history, the transition from the pre-modern to modern, the lure of civilisation and the promises it offers. The various explanations of why they have quit their jungle home are also symbolic. They have been driven out by a clash of ideologies, by the pressures of commerce, by the lure of money, property and possessions, or by a mixture of all of these. The suggestion that they might end up doing an MBA degree is, of course, fanciful – but not beyond the bounds of possibility.

If they do choose this course of development, then they will pass through one of the world’s growing number of business schools, perhaps in South America, or perhaps in the North, at one of the elite schools such as Harvard, Wharton and Chicago. They might even choose to spread their wings and come to Europe to study at a leading European school – INSEAD, IMD, IESE or London Business School (LBS). They could even go the Far East, where business education is growing at an exponential rate, gaining the experience of those economies – China and India – that are predicted to challenge the economic dominance of the United States in the not too distant

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future. We wish the Nukak well. We wish them luck. They will need it!

NOTE

- 1 Juan Forero, 'Leaving the wild, and rather liking the change', *New York Times*, 11 May 2006.