

FOSTERING INTEGRATIVE THINKING: ADAPTING THE EXECUTIVE EDUCATION MODEL TO THE MBA PROGRAM

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Many full-time MBA programs limit their effectiveness by clinging to functionalism. At best, they have made incremental changes to meet the market demand for MBA graduates. These changes, in most cases, have failed to integrate the various functional facets of complex business challenges. For insights into how to do so, many business schools need look no further than their own executive programs. Executive programs typically emphasize the synergistic use of core competencies and delivery systems in a way that enables one to truly master business administration.

Keywords: *integrative thinking; executive education; MBA*

There have been at least two broad waves of change in graduate management education. One wave, during the 1960s, was marked by increasing professionalization. A second wave, during the 1990s, was marked by global competition and featured the emergence of many new MBA programs

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(D'Aveni, 1996). Fueled largely by increasingly prominent MBA program rankings, a key facet of the second wave of change was a move among MBA programs toward specialization or finding a niche in the marketplace. Consequently, business schools often differentiate their offerings by emphasizing a functional strength with a high quality faculty in that functional area. For example, Wharton and the University of Toronto have historically emphasized finance, whereas Northwestern has emphasized its strengths in marketing.

We argue that a third wave of change is required for university-based MBA programs to survive and to prosper. This change should be aimed at fostering the capacity of MBA students to integrate various functional perspectives to meet the complex business challenges of the 21st century. We refer to this skill as integrative thinking and define it as the capacity to take a cross-functional, multidisciplinary approach to the solution of unstructured business problems. Theoretical support for our contention is provided by structural contingency theory (Donaldson, 1996), which indicates that organizational effectiveness requires an appropriate balance of functional specialization and integration. In this article, we expand on our thesis, identify obstacles to implementing integrative thinking in business schools, and make suggestions as to how they may be removed.

Professionalization: The First Wave of Change

In the first half of the last century, business schools were, in essence, little more than trade schools. They taught accounting, business-letter writing, business mathematics, and secretarial studies (Moreland, 1977; University of Toronto, School of Graduate Studies, 1953, 1956).

The first wave of change in the way business schools taught the art and science of management occurred in the 1960s in response to the Ford and Carnegie Foundation reports published in 1959 (Gordon & Howell, 1959; Pierson, 1959). Business schools were severely criticized for failing to enhance the intellectual attributes of managers. The result was the hiring of scholars from the liberal arts to supplement—if not replace—the anecdotes of consultants and former executives with empirical research. Sociologists were hired to develop organization theory; psychologists were hired to discover the principles underlying marketing, organizational behavior, and human resource management; mathematicians were hired to explore ways of improving logistics and the flow of information; and economists were hired to increase students' understanding of strategy, marketing, and finance.

Steps taken to provide conceptual and empirical foundations for the study of management were remarkably successful. Links between the strategy of an organization, the way it is structured, and subsequent organizational performance were discovered by economists and sociologists who became organization theorists (e.g., Chandler, 1962; Donaldson, 1982). Scholars identified the processes whereby organizations decline and eventually die (Hannan & Freeman, 1989). Organizational psychologists conceived of sociotechnical systems as a way of marrying and reconciling technology with the social needs of employees (Taylor & Felten, 1993). Organizational psychologists developed ways of determining, prior to hiring, who is likely to “walk on water versus tread water versus sink rapidly” (Latham & Sue-Chan, 1999). Through the systematic study of leadership, researchers uncovered the importance of vision and goals for galvanizing the workforce (Locke & Latham, 1990). In marketing, the importance of segmentation was recognized (McDougall, Armstrong, & Kotler, 1992). Managers are now taught the benefit of targeting the product and its advertisement to specific groups of customers, on the basis that not everyone appreciates the same things. In this regard, marketing scholars have demonstrated the utility of information technology for identifying past purchase histories to facilitate targeted marketing (Sommers, Barnes, Stanton, Etzel, & Walker, 1995).

The collective results of these contributions to knowledge have been impressive. Some critics of business schools might assert, however, that only scholars can appreciate research that is published in business journals (Dulek & Fielden, 1992). Furthermore, critics might argue that the research is too theoretical to be of any benefit to organizations (Showalter, 1992). However, there is as much merit in this argument as there is in the criticism that what is written in medical journals is of little value because laypeople cannot comprehend it. Arguably, the purpose of scholarly publications is to stimulate the thinking of researchers so as to lead to the discovery of knowledge (Donaldson, 1996). Knowledge is metaphysically built, in part, by researchers standing on the shoulders of others (McCloskey, 1983). And later, if not sooner, knowledge accumulated by scholars in traditional disciplines of management is applied effectively to the resolution of the challenges of business (Donaldson & Hilmer, 1998).

Proliferation: The Second Wave of Change

The fast pace of change in business requires managers to possess current and timely managerial knowledge and skills that must be continuously improved. Consequently, there has been a proliferation of MBA programs as

well as surveys (e.g., *Business Week*, *Financial Times*, www.MBAinfo.com, *Asia-Inc.*) that enable prospective students, deans, and recruiters to compare them (Colbert, Levary, & Shaner, 2000). Whereas business asks how it can reduce the time it takes for its products to reach the marketplace (Stalk, 1993), only a few business schools have asked how they can reduce the time it takes to turn out a highly competent individual who is truly a world-class master of business administration.

Executive education programs, on the other hand, have been quick to respond to the need to accelerate learning in organizations. In these nondegree programs, rudiments of an MBA curriculum are typically condensed to 1 to 12 weeks and customized to meet the needs of the client. The question, therefore, arises as to why it takes two academic years in so many business schools to earn an MBA. What, other than adherence to a grade-school model of beginning classes in August or September and ending them in April or May, prevents business schools from reducing the time to completion for an MBA? The answer may be little more than blind allegiance to tradition, despite the fact that many faculty would appreciate the opportunity to teach during the summer to escape the winter, while others wish to teach during the winter and have the summer free. Requiring two academic years to earn an MBA reflects neither necessity nor market needs (Barker, Gilbreath, & Stone, 1998).

Functionalism: The Key Shortcoming

Because of their success, business schools are now at risk of stagnation if this has not already occurred. An irony of success is that it reinforces the behaviors that led to it, even when those behaviors have become inappropriate (Lindsley, Brass, & Thomas, 1995; Miller, 1990; Pinsonneault & Rivard, 1998). One such behavior is functional specialization. Within the liberal arts community, functionalism serves the advancement of knowledge. Professors in the mathematics department can develop theory without regard for what is occurring in the sociology department and vice versa. They can even do so without concern for the application of their results to the external world.

Functionalism in the business school also facilitates the creation and advancement of knowledge through research and the training of doctoral students. Just as medical schools produce neurosurgeons, cardiologists, ophthalmologists, and dermatologists, business schools must turn out Ph.D.s in such areas as marketing, finance, and operations research. Yet medical schools also teach people to be general practitioners. These individuals are

taught to be integrative thinkers with regard to medicine and have acquired the perspective of a generalist.

Business schools, however, are continuously criticized by industry for failing to produce graduates who have mastered business administration (Ncelankavil, 1994; O'Reilly, 1994). Functionalism in the MBA curriculum has unintended consequences for MBA graduates and the organizations that hire them. Witness the anger and frustration in industry with MBAs who understand mathematical equations, excel in finance, and are analytically sound but are not team players and do not understand customer-driven strategies or consider the needs of the people who they assume will implement them (Elliott, Goodwin, & Goodwin, 1994; Leith, Kovacheff, & Price, 1994).

Why does this occur? A parsimonious answer is that the highly specialized, insular, "silo" mentality that is a boon for liberal arts scholars and doctoral programs is the bane of the business school. The finance professors, for example, have little or no knowledge of what is taught by the professors in organizational behavior. And neither group knows nor cares what is being taught in marketing, accounting, strategy, or any other discipline within the business school. Thus, most MBA students fail to grasp the interrelationships among the knowledge, skills, and abilities they are acquiring in one discipline and those that they are acquiring in another. MBA students merely perceive that numbers are numbers and people are people. That numbers are interpreted and acted on by people in different ways often escapes them (Barker et al., 1998). Thus recruiting companies complain that MBA graduates are linear thinkers who lack flexibility (Bickerstaffe, 1994).

With an emphasis on functionalism rooted in a liberal arts structure of the 1960s, business schools are now watching industry, with its emphasis on teams and cross-functionalism, pass them by (Barker et al., 1998). The value added by business schools to business is in danger of rapidly deflating to the point of coming full circle. Unless MBA programs respond to the needs and demands of business in the 21st century, business schools risk becoming marginalized once again, as they were when they were primarily trade schools.

Redesigning MBA Programs

Theoretical support for the proposed restructuring of MBA programs to foster integrative thinking can be derived from the management discipline of organization theory. Lawrence and Lorsch (1967) observed that as the external environment becomes complex and uncertain, organizational depart-

ments become specialized with the goal of effectively responding to these contingencies.

The more highly differentiated and, hence, functional departments become, however, the greater the need becomes for integrative mechanisms to coordinate departmental efforts to attain organizational objectives (Lawrence & Lorsch, 1967). It is imperative to balance a high degree of differentiation with integration to attain high organizational performance. The data in support of structural contingency theory (Donaldson, 1996) strongly suggest the need for MBA students to acquire integrative thinking skills.

To facilitate the acquisition of these skills, business schools need to reposition themselves to leverage the present wave of change in business. The first step in redesigning MBA programs is to establish a vision or purpose. As Senge (1990) observed, the natural energy for changing reality comes from painting a picture of what might be that is more valuable to stakeholders than what is. In short, the vision must be worthy of the faculty's commitment. It must galvanize them to action; it must provide a cause for them to rally around. For example, a vision that would get faculty commitment is as follows: "An internationally recognized business school that prepares high potential individuals to manage, build, and lead value-creating, globally competitive organizations primarily by providing integrated management education."

Goals operationalize the actions that must take place to move a vision from rhetoric to reality (Latham & Locke, 1991). As leadership plays a role in most determinants of organizational success (Yukl, 1998), we believe that the primary goal of an MBA program is the development of leaders. This entails selecting exceptional people and transferring knowledge to them in ways that enable them to lead their organizations more effectively than their competitors. To achieve this, business schools must focus on the marketplace (Barker et al., 1998), be driven by applied research (Donaldson & Hilmer, 1998), deliver MBA programs that are rooted in partnerships with business (Lorange, 1994), and be measured by their contributions to the growth and success of their clients (Barker et al., 1998).

A second step in the redesign process is to develop a structure for the business school that will enable it to function effectively while focusing on current and emerging market demands. From this perspective, functionalism in an MBA school appears to be dysfunctional. Whether growing leaders for profit or nonprofit organizations, the organizational challenges are similar. First, one must understand the environmental influences that affect the organization and the dynamic nature of those influences. Second, an organization needs to develop strategies for competing effectively within its environment. Third, managers must understand the key financial drivers of an organiza-

tion, because it is difficult to implement a strategy unless the firm has the financial strength to do so. Finally, the organization must have the leadership capabilities to put a team in place that can implement the strategy in different environments in ways that allow the organization to prosper (Yukl, 1998). Teaching students the leadership, strategic, and financial skills necessary to successfully compete globally must be fully integrated. To master one aspect of this challenge and not the others condemns MBA graduates of the 21st century to a career marked by frustration, ineffectiveness, and inefficiency.

If business schools are to survive and prosper in the future, we believe that they will need to be structured around five core integrated subject areas: (a) leadership skills that capitalize on knowledge of (b) strategy, (c) finance and (c) information technology (IT) within the context of and influenced by a (d) global economy. MBA students should also be given the option to advance their knowledge in a specialized area, such as accounting, marketing, or logistics and information flow. To understand the financial drivers of a business, one must have a command of basic accounting principles (Brealey & Myers, 1996); to craft a business strategy, one must understand market dynamics (Porter, 1998); to meet market imperatives for high quality at low cost with minimal delay, IT competence is crucial (Mitchell & Zmud, 1999); to exercise leadership, one must be aware of global and cultural influences (Yukl, 1998). It follows from this reasoning that the core competencies delivered by a leading business school should be fivefold, namely, the (1) leadership capability to build a team that will implement (2) competitive strategies that will enable an organization to be (3) financially healthy in a (4) global marketplace, through the effective use of (5) information technology.

To integrate curriculum design and delivery, faculty members who teach strategy, finance, information technology, and leadership must work together to ensure that the strong interrelationships among these core competencies are consistently reinforced in the classroom. Thus, the MBA program director needs to provide students with a clear understanding of what the program is designed to deliver in terms of unique and integrated relationships among the competencies. Stressing and restressing these relationships at the beginning and end of each course and module will encourage MBA graduates to move away from identifying themselves as a “number cruncher” rather than a “people person” or vice versa. The distinctions among these competencies are meaningless to anyone who aspires to be an effective leader in the emerging hypercompetitive world of business (Hamel, 2000).

Another issue that must be addressed concerns the current assumptions underlying the MBA program delivery process. The following basic questions should be asked.

- Why are class sessions only 60 to 90 minutes long?
- Why do we require a student who is just about to “get it” to then jump up at the sound of a bell to interact with a different instructor who will discuss an entirely different subject matter?
- What prevents us from modeling the ways we teach the very same subjects with the very same instructors in our executive education nondegree programs?

MBA programs tend to be historically driven, whereas with executive programs business schools are already customer driven and have typically adopted an integrated approach to learning. There is a module on strategy that is interwoven with the module on finance; both are tied seamlessly to a module on leadership and the development of effective teams. The faculty and the program director stress on an ongoing basis the interrelationships among the knowledge, skills, and abilities being taught in the different competency areas. In contrast, MBA programs often adhere to a grade school model: If it is 10 a.m., it must be time for math.

We submit that business schools can benefit from emulating their executive education programs by teaching integrative thinking in MBA programs. Most executive education programs are holistic in that key thrusts are referred to constantly with an emphasis on the acquisition of one competency before undertaking another. Thus, once the student has developed strategic thinking capabilities and understands strategy, the importance of developing the necessary leadership skills to implement them becomes self-evident to the student. Once a person grasps an understanding of financial drivers, the importance of having a strategy for ensuring cash flow and the organization’s survival becomes paramount. These interrelationships provide motivational stimuli to students who desire to master these core competencies to lead effectively.

CUSTOMER SERVICE

Program delivery systems do not arise through happenstance; they are designed by someone. It is time for business schools to reinvent their systems so that they provide a highly positive experience for students. Students should enter an MBA program with the expectation that the experience will be among the most meaningful of their lives. Students should leave the business school having affirmed that it was among the most meaningful experiences of their lives. A primary objective of the business school should be for its graduates, years later, to continue to describe their days in the MBA program as transformative.

Thus business schools need to ask questions about the staff of MBA program services and their commitment to quality service (Wallace, 1999):

- Do the administrative staff provide a level of service that makes entry into, experience in, and placement from the MBA program positive and memorable for each and every student?
- Do the staff look for ways to reduce the anxiety inherent in the admissions process?
- Do they take the initiative to follow-up with applicants to let them know if the application process is incomplete and then offer ways to help them complete it? Customers often generalize on the basis of snippets of information.
- Do applicants, after making a phone call, think this is a business school that they must attend?
- Are they made to feel special?
- Once admitted, do the administrative staff engage in dramatic listening to student needs?
- Do they convey the impression that each and every student is important to the business school?
- Do they show that student input and concerns are truly heard?
- Do they engage in behavior that has value for students?
- In short, do they attempt to delight students by delivering on their behalf, or are they seen as little more than bureaucratic barriers to student goals?

Dramatic listening is a core value of the staff who work in executive education, where participants are regarded as customers, whose needs are anticipated and who are treated as special. In contrast, dramatic listening is a value that is often unrewarded, and therefore unreflected, in the beliefs, attitudes, and behaviors of MBA administrative staff (Wallace, 1999).

A program delivery system consists of all the physical and procedural apparatus that staff have at their disposal to meet student needs (Rummler & Brache, 1995). In reinventing program delivery systems, we suggest that business schools focus on developing an “elegant process.” Because the process is viewed by students as the school’s creation, not theirs, it is important that it be perceived as graceful, helpful, and fair. Staff might thus be encouraged to ask: “What do we want to be remembered for in the eyes of our students and graduates?” If students perceive the service delivery system as “what you make me go through to get what I need,” they are likely to mistake poor system design for poor staff performance (Waldman, 1994). Little wonder, therefore, that many business schools report that many alumni disappear immediately after receiving their degree.

Finally, students must exit the MBA program believing that they were served with special care under difficult circumstances. The goal is to seek “positive terminations” and “happy endings” (Bell, 1995). The last encounter that a business school has with its students will likely be the one remembered by them and described to others. The superstars of service understand that unless extraordinary actions are engaged in during high pressure times,

students and alumni display their disappointment by silently taking their loyalty elsewhere (Wallace, 1999).

FACULTY RESEARCH

A related issue concerns faculty recruitment and research. Applied research is the *sine qua non* of the business school. Without it, the business school has little intellectual value added in the marketplace (D'Aveni, 1996). The advantage of attending a business school is the opportunity to acquire leading-edge ideas directly from the source, namely from the faculty who developed them. If a business school competes only on the basis of excellent teaching, it places itself at risk. Firms such as Motorola, Xerox, General Electric, and the Bank of Montreal have established the equivalent of corporate universities to develop and run internal educational programs on a large scale. The Centre of Executive Development is a firm consisting of former Harvard Business School professors whose teaching excellence was not rewarded with tenure. Although teaching excellence in business schools is critical, it is not alone sufficient for them to remain viable (D'Aveni, 1996). Business schools must hire faculty who do groundbreaking research and can explain it to students in meaningful and vivid ways. For the business school to survive, it must view excellence in teaching and research as multiplicative rather than additive. A perfect 10 on one dimension and a 0 on the other should equal zero overall and result with certainty in the denial of tenure. Great teachers allow the business school to do, at best, only as well as corporate universities such as the one at the Bank of Montreal do to educate participants.

Great teachers alone do not provide business schools with competitive advantage because the competitors can hire equally able teachers. Yet great teachers who achieve eminence through great research provide the business school with a niche that corporate universities are unable to occupy. Business must perceive value in partnering with a business school and acquiring leading-edge ideas from the source of those ideas if business schools are to compete effectively with corporate universities and independent suppliers of educational programs (Lorange, 1994).

PARTNERING AND CUSTOMIZATION

To attain excellence, as well as to compete and win in the 21st century, business schools must partner with businesses. Thus another question that needs to be asked is whether emphasis should be shifted from the generic MBA to the customized MBA, where the curriculum in the latter is linked

directly to the business strategies and challenges facing the partnering organizations. In a customized MBA program, students work on real business problems with the goal of providing viable solutions that their company can implement. The measurable results attained would normally justify the time and money that an organization spends on a customized MBA program. This practice has been in effect for a decade in the executive education programs at the University of Toronto. The result in many instances is an increase in profit and a decrease in costs for the client organization, and a corresponding increase in shareholder value.

The generic MBA curriculum is on the verge of becoming a commodity (Kedia & Harveston, 1998). At the very least, it is difficult for a business school to differentiate itself from its competitors based on the curriculum. Worse, the generic MBA incurs expenses that are not directly related to any organization's strategic objectives. Organizations use customized executive education programs to help them adapt to a changing marketplace. Thus partnering has become an operative concept for executive education programs to ensure that their business grows and prospers financially. MBA programs could do likewise.

The issue of implementation of a customized MBA is not as problematic as it appears at first blush. Many business schools already offer the essence of their MBA program minus the actual degree through their executive education programs. Executive education has already recognized the value of partnerships with business and has derived the monetary rewards of dropping generic programs in favor of customized ones (Latham, Daghighi, & Locke, 1997). Customized corporate education is a key area of growth at schools such as the London Business School, International Institute for Management and Development (IMD) in Switzerland, INSEAD in France, Australian Graduate School of Management (AGSM) in Australia, and the Rotman School of Management in Canada.

The objectives of customized corporate programs are typically to assist an organization in accelerating the internalization and implementation of its vision and the strategic plan to attain it. The faculty who teach in these programs are usually the "stars" in the business school. The stars apply the theories, principles, and procedures taught in a generic sense in the traditional MBA program to the current challenges that confront the partnering company. The reciprocal learning between customized executive education programs and faculty research is potentially substantial. By faculty learning from participants who are learning from faculty, old hypotheses are discarded, and new ones are formulated and tested.

A further advantage of the customized MBA program for the business school is that it does not tax its teaching resources. Customized degree programs are privatized. Faculty can be paid to teach in them over and above their compensation for regular teaching duties in generic programs, just as they are paid in the school's executive education programs. Opportunities for extra financial compensation, without leaving the business school, are an incentive that a business school can use to attract and retain faculty who are strong teachers and researchers.

Despite the arguments in favor of, and business demand for, a customized and integrated MBA degree, this demand is not yet being met by most business schools. What is stopping business schools from transferring the knowledge that they have gained from executive education nondegree programs to MBA programs? We suggest that the answer may be found in perceptions that a customized MBA robs students of the opportunity to interact with and learn from people with different backgrounds and experiences. The inaccuracy of this perception, however, has been demonstrated in customized programs where salespeople meet engineers, where both meet marketing personnel, and where all three meet people from divisions of the company located across borders whom they had not previously met. Diversity in job background among program participants can be enhanced further in programs involving industry consortia, and by including people who work for their suppliers and customer organizations. The result of such programs should be an increase in the organization's ability to compete in the global marketplace through the creation of an energized, cohesive team that drives toward the same strategic goal.

Efforts to foster integrative thinking and address some of the other challenges referred to earlier have been under way for the last 3 years at The University of Toronto's Rotman School of Management. These efforts have culminated in a review and reform of the full-time MBA program. The review is considered to represent potentially significant organizational change, and the process by which enduring change will be achieved is negotiation.

The University of Toronto is large, publicly funded, and widely regarded as Canada's leading research-intensive university. The Rotman School employs more than 70 full-time faculty and offers, among others, full-time, part-time, and executive MBA programs. The full-time program admits roughly 200 students per year. The other MBA programs each take in about a fourth of this number annually.

The most challenging aspect of the reform process at Rotman has been reaching an agreement among faculty on a vision for the MBA program. Difficulties in this regard are not surprising, given that the Rotman School is organized by functional area. Not only is the school itself thus not well inte-

grated, but it also tends to be generally regarded as a finance school. Such perceptions mitigate against a widely shared vision for the school that is consistent with integrative thinking. Diverse perceptions among the faculty about the ultimate objective of the MBA program and degree has meant that a substantial investment in time and energy has been required to achieve consensus on these issues.

After defining a vision, the next step for Rotman was to generate ideas by which to bring about its realization. Some curriculum-specific suggestions by which to impart a capacity for integrative thinking have been as follows. All of these suggestions are for mandatory courses offered prior to the half-way point of the MBA program. Such courses include:

- a field project requiring students to take a multidisciplinary approach to resolving unstructured business problems
- a course on effective thinking, designed to acquaint students with a technology for integrative thinking that is rooted in systems dynamics and philosophically based approaches to reasoning and logic
- a course on negotiations, which provides students with the capacity to create value by constructively integrating diverse perspectives
- a course on leadership, specifically focusing on its integrative role
- a capstone business strategy simulation requiring students working in teams to think cross-functionally as they make decisions under competition in an environment characterized by uncertainty

One of the several challenges in implementing this curriculum relates to an unwillingness or inability on the part of some faculty to teach effectively in it. The primary challenge in advancing the integrative thinking curriculum, however, is deciding what courses to reduce or remove from the extant program. These decisions have to be made with sensitivity to the old guard by looking for opportunities to mitigate perceived losses in classroom contact hours for the traditional core courses. Rotman is attempting to do this, in part, by migrating material from the core to the elective component of the MBA program. This is typically the second year of the program, where faculty tend to receive high student evaluations.

It is premature to state how successful Rotman's efforts at achieving integrative thinking will be. There are no guarantees, but a supportive administration, a now motivated and accomplished faculty, and highly talented students suggest that Rotman's efforts will continue to be rewarded.

How can business schools that are attempting to evolve maintain momentum and keep their programs under continuous review? As the Ford Foundation authors noted more than a quarter of a century ago, the need for reform today will not remove the need for further improvement tomorrow, and the

day after (Gordon & Howell, 1959). Business schools now teach that life-training-learning is critical for a student's success in the marketplace (Robbins, 2000) and must now model this behavior for their students.

If business schools are to remain competitive and retain their ability to create value for their participants, they must adopt executive education values and practices in redesigning their MBA programs. Executive programs are customized for organizational partners, foster the integrative thinking of participants, and directly prepare organizations to meet the challenges of the global economy. As part of the redesign process of the MBA program, business schools must find answers to such basic challenges as:

- defining the vision of the school and the core competencies of the MBA program that will lead to the attainment of that vision
- developing a program delivery system that facilitates and accelerates the acquisition of knowledge and skills relative to traditional approaches
- providing opportunities for a globally-relevant integrated mastery of leadership, strategy, finance, and information technology
- recruiting faculty who are outstanding in teaching and research
- developing systems and hiring staff who desire and are able to make each student's entry into, experience in, and placement from the MBA program a highly positive and memorable experience
- developing a will and a capacity among the faculty for innovation

Many of the competencies and practices that made managers and organizations successful in the 20th century are unlikely to continue to do so in the 21st century (Hamel, 2000). Innovation today does not preclude the need to innovate tomorrow. Business schools appear to recognize this, to the extent that they teach students that lifelong learning is crucial for a successful career. The challenge that looms for business schools is how successfully they can themselves practice what they preach.

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