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The New World of Management Education

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ABSTRACT

In an era when there is increasing pressure for universities to become more entrepreneurial and generate revenue to fill the gap left by ever-declining public funding, it is often the university business schools that have led the way through the provision of full-fee paying post-graduate management education courses. Invariably, the flagship program is the Master of Business Administration (MBA) degree, enrolments in these courses experiencing huge growth during the 1990s, creating something of a ‘cash cow’ for universities. In the 2000s, however, there are signs that the MBA market has matured, and enrolments have fallen from the dizzy heights of the late 1990s. As a result, there has been some rationalisation of the ‘business school industry’ leading to mergers and staffing restructures for some, but expansion for others as they have tapped into the lucrative executive education market. The defining characteristics of these courses are that they are custom-built, typically short and intensive, and flexibly delivered. Significantly, companies are becoming more discerning and demanding learning outcomes that are consistent with their corporate objectives rather than those defined by business school academics. In this new world of executive education, a new paradigm for management education is required.

1. THE MARKET FOR POST-GRADUATE MANAGEMENT EDUCATION

Business education is big business. Indeed, university business schools look a lot more like businesses than they do schools—much to the chagrin of those within the more conservative ranks of academia. The fact remains, however, that—like it or not—the development of the business curriculum has been viewed increasingly as a key strategic initiative within universities all around the world because business degrees generate much needed revenues. In an era when public funding of universities is in secular decline, there has been increased pressure for universities to become more entrepreneurial, and one option has been to increase the intake of full-fee paying students. It is the business degree area where demand has been greatest; with the Master of Business Administration (MBA) proving to be the most popular.

The MBA boom and its aftermath

Originating in the United States at the turn of the 20th century, business schools gradually spread to other parts of the world (most notably in the English speaking world) to the point where, today, there are more than 7500 in 40 countries (GFME 2006). In these schools, it is invariably the MBA degree that is the ‘flagship’ program,

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which experienced a dramatic increase in popularity during the 1990s before peaking in the early 2000s. The consequences of these changing dynamics within the industry are still being felt in a number of countries around the world as some schools have closed, merged, or restructured, and others have sought to reinvent themselves by catering for a niche market.

Other schools have gone down a different route and tapped into the estimated US\$1 billion executive education market (Last 2004). The defining characteristics of these types of management courses are that they are custom-built, typically shorter and more intensive, and—above all—flexibly delivered. At Duke University, for example, Duke Corporate Education (DCE) oversees customised courses and is quite separate from the business school. In 2004, the revenues earned by DCE were US\$32 million, rising to US\$44 million in 2005, or almost US\$1 million per client (Gloeckler 2005).

Demand for a new type of executive education

This rapidly emerging new executive education market is qualitatively different to the executive education market of yesteryear. First of all, whereas, in the past, the focus has been primarily local, the new executive education market has a strong global orientation. MBA programs are globally-oriented, of course, in that they will attract a certain proportion of international students to their programs, or they might set up operations offshore. A defining characteristic of the new type of executive education, however, is that corporate clients want to have programs delivered globally. This takes the globalisation of post-graduate management education to a new level.

A second and more significant difference is that, in the ‘knowledge economy’, companies are becoming more discerning about the executive education programs they are investing in. Companies are redefining themselves as ‘learning organisations’. They are employing Chief Learning Officers (CLOs), and a growing number are forming their own ‘corporate universities’ (or other entity dedicated to corporate education and training). Early predictions that these organisations would evolve to offer accredited academic programmes to rival those of traditional universities has turned out to be overly optimistic (Hanna, 1998; Thompson, 2000), but the fact corporate universities continue to grow in number (Nixon & Helms, 2002), suggests that they fulfil a legitimate commercial need. Meister (2006), for example, has estimated that by 2010 the number of global corporate universities could outnumber accredited for-profit and non-profit universities in United States (currently totalling more than 4,200). Their most obvious function is training in proprietary educational skills, as companies implement new strategies, move into new markets, or introduce new products or services. Such training can be executed quickly and efficiently, across multiple locations via an in-house learning management system (LMS). A much bigger challenge, however, is the delivery of management education that aims to develop the more generic, higher level cognitive skills increasingly demanded of ‘knowledge workers’. In this instance, corporate universities frequently fall short, and they find it convenient to form alliances with traditional universities whether it is for legitimising courses, adding credibility, or providing specific expertise in specialised or advanced areas (Nixon & Helms, 2002, p. 5).

A problem with such alliances, however, is that not all traditional universities are adequately equipped to provide the kind of service that their corporate counterparts

are seeking. This mismatch might manifest itself in a number of ways including (but not limited to) an inability to custom-build a course to the specific requirements of the company in question, an inability to customise and deliver a course in an expeditious manner, and an inability to negotiate university regulations and bureaucratic structures regarding course delivery (e.g. semester timings, examination scheduling, and so on). Another potential problem is that the corporate client will not always know exactly what service they are seeking, particularly in terms of the pedagogy most likely to be effective in delivering the learning outcomes they desire.

Taking flexible delivery to new levels

While the notion of flexible delivery is not new (see Lundin, 1997), in this new world of executive education, flexibility takes on new dimensions. The driver for this phenomenon is the emergence of a multi-billion dollar market for those providers of management education that are prepared to embrace greater flexibility. In the late 1990s, flexible delivery was defined as ‘the provision of learning and assessment opportunities in modes which serve to increase the degree of student control over when, where, how and at what pace they learn’ (Chalmers, 1997, p.1). A decade on, this concept of flexible delivery still applies but—in the context of executive education—there is another imperative; this being the flexibility to customise course content to meet the very specific needs of learners (or the companies for whom they work) at short notice. Thus, it is not just the flexibility in the mode of course delivery that is important, but the flexibility in the learning design of the course itself. Most significant, perhaps, is that learning outcomes must be in alignment with corporate objectives rather than the professional judgement of business school academics. Put another way, companies are demanding ‘just-in-time’ education, rather than education ‘just-in-case’.

In an increasingly dynamic international business environment, the emergence of a new paradigm for executive education should come as no great surprise. Management education has never been more important to the corporate sector and it is widely regarded as holding the key to international competitive advantage. The resultant effect is that the dividing line between business education and business itself is becoming blurred. Learning on the job presents companies with a more attractive proposition than an employee being away from the office attending an on-campus business school full-time (or even part-time). Having the employees ‘learn while they earn’ also means that what they learn one day they can apply the next, rather than in two years’ time when they have completed an MBA, for example.

Thus, as learning and business processes become increasingly intertwined, a whole new market segment is opening up for post-graduate level management education. Significantly, in this new segment there are dual constituencies whose needs must be balanced. First there is the company with particular corporate goals which has identified certain knowledge deficiencies or competency gaps in relation to these goals. Second, there are the prospective students which the company is to sponsor. These students are diverse in many ways—professionally, culturally and socio-economically—and they may be geographically spread. The one thing they have in common is the need for flexible delivery. They are typically time-poor people and it is essential, therefore, that their studies be moulded around their already busy lives through the adoption of a student-centric approach which is also cognisant of the life-style of the learner. Managing a group of students in multiple locations, meanwhile—in

different time-zones, and across different operating platforms—presents a whole new set of challenges.

On the face of it, the biggest challenge would appear to be pedagogical. How does one effectively deliver business education to such a disparate group of individuals, and do so in a way that is consonant with the distinctive (and sometimes unique) corporate setting of the client in question? The solution is to harness the power of the information and communication technologies (ICTs); the very same ICTs, incidentally, which companies utilise to conduct their every day business. The point here, put simply, is that in the transformation to a knowledge-based economy there is a demand for workers highly skilled in the development and use of ICTs. It makes sense, therefore, to provide business education using the same tools that are used by business to do business. Managers use email and download multimedia and other resources from the Internet, they use instant messaging, ‘webcasting’ tools, and Voice over Internet Protocol (VoIP) technologies, they use mobile telephony for text messaging, and they interact with one another asynchronously across different time zones using blogs (web logs), discussion boards, and other social software. It is becoming increasingly rare, on the other hand, for managers to sit in a room and do business face-to-face.

Case study: A Certificate in Global Business Leadership

The remainder of this paper focuses on these issues within the context of a case study. The university partner is U21Global, a completely online institution backed by the Universitas 21 consortium (which includes 19 universities from North America, Europe, Asia and Australasia), and the corporate partner is Satyam Computer Services Ltd (Satyam), which has a presence in 55 countries across six continents. The program, customised to meet the very specific learning needs of the company, leads to a Certificate in Global Business Leadership (CGBL). The general principles that served as a guide in the creation of this course are transferable, and they are applied to all the learning designs for customised executive education programs that U21Global develops each of which, to date, have been quite unique in terms of structure. The common thread is that, when combined, these principles contribute to development of courses that provide a highly contextualised learning experience, made possible by the careful selection of ‘reusable learning objects’ (RLOs) (Bennett, et al., 2004), using a learning content management system (LCMS)

2. CONTEXTUAL LEARNING

Appropriate learning design

Satyam is a leading IT services company that spans the entire IT sector offering a wide array of solutions customised for a range of industries including, among others, the automotive industry, banking and financial services, insurance and healthcare, manufacturing, and telecommunications. The company has a number of domain competencies and offers expertise in a range of services with a view to helping customers re-engineer their business processes to compete successfully in a constantly changing marketplace. The company employs approximately 35,000 IT professionals predominantly located in development centres in India, but also the United States, the UK, the UAE, Canada, Hungary, Singapore, Malaysia, China, Japan and Australia.

Satyam serves over 521 global companies, including over 157 Fortune 500 corporations.²

In consultation with the Satyam School of Leadership (SSL) at Satyam, U21Global set about building the CGBL course working to a brief of assisting the SSL in meeting its strategic objective of enhancing the business acumen of its technology professionals; the aim being to provide Satyam employees with a broader skill set in order that they might compete for high value-add consulting contracts (beyond those in the technology field).

In developing the CGBL program for Satyam (8 modules over 24 weeks), U21Global applied a learning design that considers the principles of adult learning, distance learners and their learning styles and, indeed, their life styles. The design provides a holistic learning environment in which the following scaffolding is considered essential: the instructive environment, the situating environment, the constructive environment, the supportive environment, the communicative environment, the collaborative environment, and the evaluative environment (Teo & Williams, 2006). These mutually reinforcing ‘sub-environments’ are designed within, outside, and around the courseware, the emphasis being on the transfer of knowledge to the learner’s current or future work setting as opposed to the acquisition of knowledge within the confines of subject content.

The instructive environment

The basic element in learning—the content—is developed according to specific learning needs and achievable objectives. Authored by leading professors, blind-refereed, and subject to the close scrutiny of Universitas 21 pedagogica, the quality assurance body of the Universitas 21 universities, the content ultimately produced amounts to a lot more than a textual outline of concepts and theories. Various instructional strategies are employed using reusable digitised media (graphics, animation, simulations and exercises) to bring the text to life. Supported with Harvard Business School Publishing (HBSP) cases and examples of business successes and failures of direct relevance to Satyam, the domain knowledge is thus presented to the students in a highly engaging manner that serves to facilitate their learning.

The situating environment

Students must have empathy for what they are doing if there is to be deep learning. The activity and context in which learning occurs are, in fact, integral parts of the process rather than something ancillary to learning. This need is acknowledged in the case of the Satyam CGBL course in that the transfer of knowledge from the instructive environment to the real-life environment is made concrete by situating the learner in the environment of the culture and context of the company through authentic activities. This serves to initiate the learner in ways that would not be possible in a more traditional learning environment. Importantly, at the conclusion of each module of work, the learner is brought back to the key learning objectives through a closing summary. This is followed by a topic specifically designed to allow for reflection and reinforcement of what has been learnt through discussion with the student’s immediate

² As of 30 September 2006 (see <http://www.satyam.com>)

workplace supervisor about possible application of their learning in the workplace (and, indeed, in other areas of their lives.

The constructive environment

The case-based, problem-solving approach favoured by U21Global enables learners not only to construct their own knowledge but also return this newly constructed knowledge back to the system, thus adding to the knowledge base. The main vehicles for student learning within this context are contributions to discussion forums and the team-based assignment in which students become engaged. Exhaustively-debated discussion topics provide students with the chance to constantly refine their knowledge as they share in one another's experiences of successful and failed projects, and other anecdotes. Overall, the structure of the learning design is such that it capitalises on the vast collective experience of Satyam's adult learners, experience that provides a multitude of context-rich, simulated scenarios and case studies. To summarise, the constructive environment, in concert with the instructive and situating environments, provides a cohesive setting for learning to the extent that the acquisition of new knowledge, its application, and its transfer to different contexts is made as seamless as possible.

The supportive environment

Cognitive support is provided mainly by the people who supply the coaching, mentoring and feedback to the learner. Given the adult learning context, this is not limited to the professor. Once a learner establishes and builds upon a knowledge base, they can assist with the development of other learners without necessarily having to first acquire 'expert' status. Students learn from many different sources and, while the professor is one such source, Satyam students are actively encouraged to take advantage of one another's expertise—expertise that they have acquired through their experience in various roles within the company and elsewhere. While cognitive support is provided through the courseware, through peers, and through professors, the 'time-poor' adult distance learner also needs easily accessible pastoral support to assist with any personal challenges that may be encountered. Technical support to minimise technological disturbances to the learning experience is also of paramount importance. To this end, the U21Global Student Services, together with other relevant departments in the organisation, provide proactive support to learners, commencing with a 2-week online orientation program.

The communicative environment

At U21Global there has been a determination to deliver a brand of distance education that embraces the communicative environment to the extent that, while they may be in remote locations, Satyam students should not feel remote from their fellow learners. Email and threaded discussion form the bedrock of the communicative environment, aided and abetted by the increasingly widespread use of instant messaging, audio-conferencing (with the option of Web-cams) and 'webinars', all of which have contributed to development of a buoyant and energetic community of learners. The mere existence of such tools does not mean, of course, that there will necessarily be active participation by all concerned, but the proactive stance taken by

the faculty and student support services at U21Global has served to create a culture where participation is the norm rather than the exception.

The collaborative environment

Team work is an integral part of the CGBL program in both an informal and formal sense. Informally, there is the team work that goes with being part of a learning community; e.g. working together on a discussion board to enhance collective understanding. More formally, it is a requirement that all students complete at least one team-based case analysis. Teams are not just a convenient way to aggregate the individual knowledge of their members; they give rise, synergistically, to insights and solutions that may otherwise have not come about. This mode of problem solving is therefore regarded as a critical piece of scaffolding for learners in the knowledge acquisition process. The collaborative environment is, of course, highly contingent upon the communicative environment, and vice versa. The completion of team assignments provides an all important social dimension to learning; however, this can be counter-productive if the collaborative and communicative environments are ineffectual.

The evaluative environment

Formal and informal formative evaluations take place throughout the CGBL course. There are pre-content exercises to provide learners with the opportunity to gauge the level of their expertise before engaging with the content, and self-assessment at the end of each topic helps the learner to check his or her own understanding before moving on. Summative assignments, meanwhile, both individual and collaborative, are assessed by the professor according to a set of generic criteria and a standardised grade descriptions document. At the heart of the CGBL is the 'Reflective and Integrative Final Project' which, graded for academic purposes is primarily written for the consumption of the Satyam student's immediate supervisor, clearly demonstrating *what* has been learned, *how* it will applied in the future course of their jobs, and *why* this will be of benefit to Satyam. Significantly, learners commence to think about the Final Project when they share with the rest of the course participants what it is they hope to get out of the CGBL program in the pre-course orientation. The aims and objectives set at this time, the Satyam students will return to at the end of each subsequent module, documenting and sharing with their supervisor how their learning has contributed to their thinking, and maybe altered their original aims and objectives. All these mechanisms are designed to provide the learner with a consistent and accurate indication of their progress in the course. With regular, high quality feedback validating their learning, they can be more confident of making the connection between what is learnt and how it might be of immediate relevance to their job or personal life. Here, again, the situating and constructive environments play an important role.

3. SUMMARY AND CONCLUSIONS

This paper set out to draw attention to the changing face of post-graduate management education. It highlighted the fact that there is general consensus among business school academics that the MBA market is in the mature phase of its 'product life cycle' with obvious consequences for the long term viability of a number of

university business schools. At the same time, there is a rapidly expanding market for executive education courses, but not the ‘off-the-shelf’ type that have been offered in the past. Increasingly, businesses—particularly those operating in the knowledge economy—are seeking highly customised executive development courses that allow their employees to learn within the context of the workplace. The case study of Satyam Computer Services was discussed and the general principles that were applied by U21Global in the construction of a certificate course in the area of global business leadership. These same principles underpin the learning designs of other corporate programs developed by U21Global; the content actually being of secondary importance. This is not to demean the quality of the content that U21Global has at its disposal, indeed, quite the opposite is true. It has been developed at great expense and is subject to a rigorous quality assurance process. The point is that U21Global has built up a considerable repository of digitised learning assets, and it is able to move quickly and nimbly to build courses for corporate clients once it has some tried and tested learning designs to work from.

In conclusion, while contextual learning may require a cultural transformation within some university business schools, once the shift has been effected, the rewards from pursuing such a strategy can be considerable (especially within the context of a ‘flat’ MBA market). The development of a repository of RLOs can be an expensive business, but once it is in place, the scope for course customisation via an LCMS is extensive.

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U21Global is the world's pre-eminent online graduate school, designed to meet the needs of individuals and corporations in the 21st century. It is a joint venture between Universitas 21, an international network of distinguished research-led universities, and Thomson Learning, a worldwide provider of tailored learning solutions for businesses and institutions.

More details about U21Global can be found at www.u21global.edu.sg

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