

# What They are Now Teaching You at Business School

As conventional management theories take a beating in the current economic crisis, business schools are focusing on the ethical and social aspects of corporate governance in their courses.

*Shanghai Business Review* sat down with top professors of three of the world's most lauded business schools to discuss how the current situation has affected business school curriculum and where China now fits into the new economic order.

By Jordan Calinoff



**Colin Mayer, dean, Saïd Business School at Oxford University**

Professor Mayer has been with Saïd Business School since its founding in 1994 and was the school's first professor. His work is focused on the field of finance, and he is known for his expertise in corporate finance, taxation and governance and the regulation of financial markets. He is also one of the two founding partners of Oxford Economic Research Associate – one of United Kingdom's largest independent economics consultancies.

**SBR:** Could you briefly explain what sets Saïd Business School apart?

**CM:** There are a number of features that mark it out. It's a new business school in one of the oldest universities of the world. As such, it draws from an immense intellectual capital.

In addition, at Oxford we have the tradition of the tutorial, where students meet with tutors individually or in pairs, alongside the bigger lectures. We reflect this approach at the business school and there is considerable opportunity – indeed the requirement – for students to engage individually and contribute to the learning of the class.

The great advantage is that it forces people to think and react to ideas, thoughts and criticisms. We need this kind of reflective, thoughtful approach to take business and government forward.

**SBR:** Has the curriculum or manner of teaching changed in response to the financial crisis and economic downturn?

**CM:** Some components of the programme will change. We have long devoted a great deal of attention to offering courses on the ethical and social aspects of business around the world.

Up until recently, there was a perception of the “best way” of doing business, based on a largely Anglo-American view of the world.

Increasingly, people are recognising that there are different ways of engaging in business in different parts of the world. One of the reasons we, as a business school, are very interested in developing relations in the Far East and the Middle East is so that we can gain a real understanding of how business is done in these parts of the world and transfer that understanding into the courses we are teaching.

**SBR:** What role do you see China playing in the global economic recovery?

**CM:** China will be an extremely important player in the economic recovery. In China, the banking systems are relatively unscathed and they do not have the same constraints that exist within Western banking systems. This means in the short run, China and other Far Eastern countries are going to play an important role in helping other economies out of recession.

**SBR:** Will China come out of the downturn as the world's strongest economic power, overtaking the United States?

**CM:** It's not really a turning point in the economic power equation because it's been happening over several years, with China's relative growth and the US's relative slowdown. We are going to observe a very significant shift in the balance of resources and economic prosperity, but I see it as more of an acceleration of what has already been going on.



### **John Quelch, professor of business administration, Harvard Business School (HBS)**

Professor Quelch served as dean of London Business School between 1998 and 2001. He is currently on sabbatical from HBS and is a visiting professor and chair of the Academic Council of Shanghai's China Europe International Business School (CEIBS). Quelch is renowned for his marketing expertise and recently published his newest work, *Greater Good: How Good Marketing Makes for Better Democracy*, to high praise. His insights into global marketing can be found on his top rated blog, Marketing Know: How, at [www.quelchblog.com](http://www.quelchblog.com).

**SBR: Why did you decide to spend your sabbatical year as a visiting professor at CEIBS?**

**JQ:** I specialise in global branding and global marketing and in deciding where to use that time, my first thought was where in the world would you find any economic growth in 2009. If you are in marketing you really live or die by growth.

China looked like a better bet than most other countries. Within China, my decision was driven by CEIBS's emphasis on practice orientation and general management. The institution, while it does engage in academic research, also values teaching that is very practical and oriented towards developing the student as a general manager.

**SBR: Has the curriculum or manner of teaching changed in response to the financial crisis and economic downturn?**

**JQ:** We at HBS developed in the last five years a very effective course on leadership, values and corporate accountability. In marketing,

there has been an increasing recognition of corporate social responsibility (CSR) in the positioning of global brands. More than ever before, marketing now operates in concert with CSR and ethics, at least in the MBA classroom.

The fundamental tenets of what we teach are still applicable. The school has already for decades been cultivating people who take their social responsibility seriously.

**SBR: Will China be hit as hard by the downturn as other countries and what role will it play in an economic recovery?**

**JQ:** In China, the speed and effectiveness of the stimulus package is likely to be greater than in countries where the swiftness with which construction projects can be approved at the local level is not as rapid. However, the decoupling theory is not true and the impact of the global downturn is going to be greater than has been expected in China. The bottom line will be measured in terms of recovery out of recession. There is still no doubt that the US will lead by virtue of the tremendous intellectual and institutional infrastructure that exists to support venture capital investment and entrepreneurship.



### **Dominique Turpin, professor of marketing and strategy, IMD Business School**

Professor Turpin has been with IMD for over 20 years. He is an expert on Japan and received his PhD from Sophia University in

Tokyo. His marketing specialisation has led him to work as a consultant and management educator for such top companies as Coca Cola, Danone, Jardine Matheson, Nestlé, Novo Nordisk and Philips. He is currently IMD's representative on the Academic Council of CEIBS.

**SBR: Could you briefly explain what sets IMD apart?**

**DT:** IMD was created by both Alcan and Nestlé. We are different from all the other business schools because we were founded by industry and not by a university. The original purpose of IMD was to prepare the future general managers of Alcan and Nestlé.

In addition, our MBA and Executive MBA programmes represent less than 10 per cent of our business. Ninety per cent of what we do is executive education and our strength is in tailor-made programmes for companies. We are between a consulting firm and a business school. The Financial Times always ranks us among the top for executive education – last year we were number one.

**SBR: Should the fundamentals of business school education change in response to the economic crisis?**

**DT:** You have all kinds of business schools. A good MBA is meant to make you feel a little more humble. Management is not a science. The answer in management is always, 'it depends.' Sometimes it is better to teach people to think because you cannot give them all the answers.

The world is not perfect. We will always have business people who are crooks. Ethics can be very difficult to teach. However, there is no big secret to business. There are still plenty of opportunities on earth to make products that are easier, cheaper, faster and better for the customer. And it is possible and essential to do this in a responsible way.

**SBR: Will the global downturn lead to a shift in economic power towards China?**

**DT:** The 19th century was the century of Europe, the 20th century belonged to America and the 21st century will be China's. This is definitely the start of that shift.

If you follow economic history and theory, China should have been inward looking, but in order to finance all of the country's growth and infrastructure, it needed hard currency, so the government has been encouraging companies to export overseas for the last 15 years. It's clear that the economic achievement of China has just been incredible. **SBR**