## How and why the MBA and management education needs to change

**Keywords:** Management development, MBA, Practical intelligence, business education, context-based learning, practice, intelligence

Thirteen years ago this year Henry Mintzberg published his book Managers not MBAs: A hard look at the soft practice of managing and management development ,in which he challenged the prevailing view that the recipient of the MBA was by default not only a rising star, but a fully formed and trained manager. Mintzberg recognised that just giving managers or even proto-managers a series of academic tools, thinking structures and models will produce rounded relevant managers and leaders. Mintzberg argued that the MBA model was severely broken...

#### The trouble with management

"The trouble with "management" education is that it is business education and leaves a distorted impression of management. Management is a practice that has to blend a good deal of craft (experience) with a certain amount of art (insight) and some science (analysis). An education that overemphasises the science encourages a style of managing I call "calculating" or, if the graduates believe themselves to be artists, as in- creasing numbers now do, a related style I call "heroic." Enough of them, enough of that. We don't need heroes in positions of influence any more than technocrats. We need balanced, dedicated people who practise a style of managing that can be called "engaging." Such people be-lieve that their purpose is to leave behind stronger organisations, not just higher share prices. They do not display hubris in the name of leadership." (Mintzberg (2004) - Managers not MBAs: A hard look at the soft practice of managing and management development.)

Just five years ago Warren Bennis concluded that "...the orthodoxy (of business education in general and the MBA in particular) hasn't changed very much since the '04 article, except perhaps to have gotten worse".

A new paper just published by researchers from Bournemouth University, and Birmingham City Business School, Birmingham City University, UK argue that "long standing critics of business schools will perhaps not be surprised by the persistence of the irrelevance point of management education and research."

An article by the Financial Times a few years ago concluded that there isn't "a really good business school anywhere on earth." And that the MBA and business school education is largely irrelevant in preparing students to improve their and their organisation's practice, rather than being ardent believers of an 'academic religion'.

The issue, the researchers argue, is that the fundamental beliefs and values that business and management is based on needs to be 'flipped'. The problem is that



academic theory and methods are in direct conflict and incompatible with what is termed 'Practice intelligence'.

#### **Practice intelligence**

Practice intelligence means the ability to investigate and analyse the issue at hand and the wider context that the issue and any solution will be situated in and blend this with evidence-based knowledge and understanding. Practice intelligence highlights the importance of an active problem-solving approach and the crucial skills of imagination and creativity.

Practice intelligence is a blend of reality seeking, evidence-based practice coupled with imagination, ingenuity, resourcefulness, insight, enterprise and inspiration.

# Business and management education is out of touch, out-of-date and lacking in innovation

The direct conflict the authors see is that business education is largely passive learning coupled with exercises to consolidate the learning whilst the skills needed in a complex, ever shifting and largely unpredictable and uncertain business environment are those of creativity, imagination, observation, listening, sense making and seeking and the ability to seek and use feedback to 'nudge' solutions along.

The business school educated manager and leaders are often extolled to seek profit and competitive advantage as their primary focus. The paper argues that more globally responsible, articulate and visionary leaders are needed these days. Further the material these students are learning is based on research, which is often not that up-to-date and bears the hallmarks of historical thinking and mind-sets. This is unsurprising given that most research takes years to complete and get to publication and that the curricula of many programmes change little from year to year, the programme leaders being too busy to keep up-to-date with the latest thinking, research and contexts.

There has been a pretty constant barrage of criticism aimed at business schools for being out of touch, out-of-date and lacking in innovation themselves.

#### The new business and management education model

The authors propose a new strategy for developing managers and business leaders focused on 4 elements:

- 1. Greater focus on context-based learning
- 2. Closer blend in-class learning with work



- 3. Promote practice intelligence
- 4. Develop mind-set capabilities

#### **Context based learning**

This involves shifting from teaching research-based knowledge to problem-based learning which has the context of the situation as a primary part of the investigation. This means developing the sense-making capabilities of the students, particularly of the context and the impact the context is having and is likely to have in the future. This is based on helping the students foster evidence-based problem-solving. Critically this includes the ability to generate new perspectives and ways of solving problems and not just applying the solutions and analysis methods provided by the business schools.

#### Closer blend in-class learning with work

The next element needed is that the learning is grounded in and responsive to the realities of work and the work environment. This means moving from class-based learning and the ubiquitous case-study based approach to more individualised work-based learning, coaching and mentoring.

#### Promote practice intelligence

Developing practice intelligence needs to be at the heart of the new management education. This means greater use of visiting part-time faculty from the business world and addressing the development of reality seeking, evidence-based practice coupled with imagination, ingenuity, resourcefulness, insight, enterprise and inspiration.

#### Developing mind-set capabilities for the workplace

This means moving beyond the traditional technical and functional capabilities developed in business schools and moving into moral, ethical and values-based education and philosophy where the student critically thinks about their own mind-set and actions and learns to adapt these to become more globally and socially responsible.

#### Conclusion

This is a serious attempt to question and challenge the current management and business education and training models that not only exist in university business schools but are often replicated in training rooms in organisations around the world – imparting knowledge and models, many of which are out-dated, out of touch and



lacking in the ability to generate creative, ethical and socially responsive managers and leaders needed in a world of growing complexity and speed of change.

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#### Overview

This paper questions the usefulness and relevance of virtually every MBA and business programme by taking up the argument that most if not all management and business education is outdated, out of touch and irrelevant to today's business context. The article proposes four ways to 'flip' the current educational system:

Developing managers and business leaders focused on 4 elements:

- 1. Greater focus on context-based learning
- 2. Closer blend in-class learning with work
- 3. Promote practice intelligence
- 4. Develop mind-set capabilities

