

Shut Down the Business School

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What's Wrong with
Management Education

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I

What goes on in business schools?

Imagine walking up to a new building somewhere near you, just some sort of anywhere in some city in the Global North. There is a Starbucks nearby, and you can hear the sound of a motorway. There has been rain. The parking was tricky. The grass has been cut, the trees are well behaved and the shrubs are obediently trimmed. The architecture is generic modern – glass, panel, brick. It could be the office for any knowledge company on any office park near any somewhere. Outside, there's some expensive signage offering an inoffensive logo, probably in blue, probably with a square on it. The door opens, automatically. Welcome to my world.

Inside, there's a female receptionist dressed office smart (not too much makeup and a smile on the lower half of her face) and some crouching sofas with business magazines on even lower tables. Some abstract art hangs on the walls, and perhaps a banner or two with some hopeful assertions: 'We mean business.' 'Helping you to get ahead.' 'Teaching and Research for Impact.' Shiny marketing leaflets in classic modern fonts sit snugly in dispensing racks, with images of a diverse tableau of open-faced students on the cover. MBA, MSc Management, MSc Accounting, MSc Management and Accounting, MSc Marketing, MSc International Business, MSc Operations Management – an alphabet of mastery. Less prominent will be some leaflets for undergraduate degrees and PhDs, or perhaps a DBA, MPA, MRes, DSocSci. This is a qualifications dispensary, with an acronym for every need and easy payment options.

Inside, a lot of hard surfaces cause the conversations to bounce around. Easy to clean, but hard to hear a whisper. A coffee shop – perhaps that was the Starbucks, or perhaps it's another Starbucks – which also sells smoothies, wraps and has fruit by the till. A sign suggests that you should pick a healthy option! Take the stairs! Go for a walk at lunchtime! A big screen will be somewhere over the lobby, running a Bloomberg news ticker and advertising visiting speakers and talks about preparing your CV. A glass lift leading to floors with endless runs of corridor leading to hundreds of doors – Professor this, Dr that – interspersed with noticeboards with the front covers of books and first pages of articles. Elsewhere there will be plush lecture theatres with thick carpet, perhaps named after companies or personal donors. The lectern bears the logo of the business school. In fact, pretty much everything bears the weight of the logo, like someone who worries their possessions might get stolen and so marks them with their name. Unlike some of the shabby buildings in other parts of the university, the business school tries hard to project efficiency and confidence. The business school knows what it is doing and has its well-scrubbed face aimed firmly at the busy future. It cares about what people think of it.

So do the students of course. The people bustling around this place are mostly well dressed, and you don't see many tattoos, earrings, or T-shirts screaming adolescent outrage. A lot of the students are Chinese, Indian, Asian, African and they aren't dressed like the rest of the social science students in the university. Haircuts are tidy, jewellery is understated, Doc Martens and high heels are not in evidence. Mostly, people are hanging around in groups, trying hard to look as if they are having a good time, or being serious about their studies. Those that aren't are intent on laptops or smart phones, trying not to look like they have no friends. There is no music, just the sound of earnest conversation and footsteps bouncing off hard surfaces.

That's what it is like in my imaginary b-school. Even if it isn't really like that – if the roof leaks a little and the toilet is blocked – that is what the business school dean would like to think that their school was like, or what they would want their school to be. A clean machine for turning income from students into alumni and profits, or 'contributions' if the school is part of a university, which most are. My office is on one of those corridors – housing a well-paid professor who teaches students from far away and writes articles that few people ever read.

As I said in the Introduction, I hope that most of the readers of this book won't have been inside a business school, so I am going to begin with a bit of background. Before I convince you what is wrong with them, I need you to understand what business schools are, and why they matter. This will involve some history and some context, but most importantly I want you to know what these places feel like. I want you to feel the echoes in the atrium, and begin to hear what students and staff talk about in the lecture theatres, coffee shops and offices. I want to convey the combination of smugness and insecurity that hangs around these places, with their corporate art, glossy brochures and inspiring slogans. I will also say something about how much money they make, and why this matters.

But first, since most business schools are part of universities, we need to understand just how they have changed too.

DOORS TO KNOWLEDGE

One of the most impressive buildings at Oxford University is the Old Schools Quadrangle of the Bodleian Library, which dates from 1613. It's a gorgeous golden stone structure, and looks like it has always been there, solidly emplaced in the cobbles and harbouring generations of scholars. For the camera-clicking tourists and the self-consciously trotting students who rush impatiently across the square, there is no question that it belongs,

that it deserves to always be here. Setting aside its unshakable confidence as a building, there is something else that catches the eye as you stand in the courtyard, a series of beautiful blue doors with a golden serif-lettered sign above them in Latin: *Schola Moralis Philosophiae, Schola Logicae, Schola Naturalis Philosophiae* and so on. They look like props from the Harry Potter films, so much mystery do they promise. Their reason for being there was that each discipline once had a single room, and the doors are still marked with the subject. On the ground floor: Moral Philosophy, Grammar & History, Metaphysics, Logic, Music, Natural Philosophy. On the first floor: Law, Greek, Arithmetic & Geometry, Astronomy, Rhetoric, and Anatomy & Medicine. Doorways to knowledge, institutionalized in stone.

How could it be otherwise? We need to know what we are going to get in the lecture theatre so that we know which lecture theatre to go to. Universities, like libraries, must advertise their classifications. How could we have a library in which all the volumes were jumbled up in piles, like a crazy second-hand book shop with no logic, no filing system, no way of finding what you want to read? Knowledge could be lost in such places, put aside one day and not found for decades. Classification matters to the university. You can't just go to one and study, because you have to study something that has already been identified as a field of study. That is to say that the structure of the institution prefigures what is knowable, and allocates space and resources accordingly. Not that these categories are timeless. Those which made sense four hundred years ago are different to those we recognize now. So some subjects have expanded and divided, such as Natural Philosophy and Astronomy, whilst others have shrunk and congealed, like Moral Philosophy, Metaphysics and Logic. Still other areas are entirely new: Anthropology, Geography, Psychology, Sociology and so on.

Other things haven't changed. In order to collect the books and build the library, Sir Thomas Bodley – son of a merchant, career

diplomat, and husband to a wealthy wife – had to collect a lot of money. Like most of the ancient universities of Western Europe, the generosity of kings, bishops and merchants was required in order that stone and wood could be carved and pheasants cooked for table. And, just like nowadays, generosity often likes to be noticed, so Bodley ensured that it would be:

He had prepared a handsome Register of Donations, in vellum, in which the name of every benefactor should be written down in a large and fair hand so all might read. And he kept the Register prominently displayed so that no visitor to the library could escape seeing the generosity of Bodley's friends. The plan, as it deserved, was a success, for its originator found that, 'every man bethinks himself how by some good book or other he may be written in the scroll of the benefactors.'

And the money and books poured in, from the Earl of Essex, Lord Buckhurst, Lord Hunsdon, Lord Lumley and many others. Universities have always been dependent on benefactors, on flattering the powerful of any given age. Though they have occasionally been places where dissent has been sheltered, or even revolution fomented, for most of their history universities have been places that responded enthusiastically to those with money and power, naming colleges, buildings, lecture theatres and chairs after those who open their purses. They have tended to be conservative places, sites for the reproduction of knowledge, not its generation.

THE SCHOLA COMMERCIA

Bodley's library shows us that the door to knowledge is a particular door, not a general one, and it requires money and power to build it. Further, the university isn't a door in itself, but it contains many different doors. They don't go to anywhere and

everywhere, but to particular places. Indeed, the geography of any university is a guide to its classification systems, to what it collects together and what it keeps apart, with science areas and arts areas; social science towers, floors, or corridors for specialisms and special research units in special buildings. The spatial and temporal distribution of knowledge is written across the campus, with ivy-clad stone for the old and glass-clad concrete and brise-soleil for the new. Probably the most significant addition to most universities in the Global North in the last fifty years has been the *Schola Commercia*, the Business School.

So what is taught in the business school lecture theatre? One example will suffice for now, that of Warwick Business School in England, a place which appears to have embraced the idea that theirs is a form of knowledge which changes the world, and that should therefore be sold for premium prices. In a text with echoes of medieval theology in its ‘visions’ and ‘missions’ we find a description of what we can find if we open this door:

Our Vision & Mission

Our vision is straightforward. What underlies everything is academic excellence, and the impact it has on society.

Our vision.

- To be the leading university-based business school in Europe.

Our mission.

- To produce and disseminate world-class, cutting-edge research that is capable of shaping the way organisations operate and businesses are led and managed.
- To produce world-class, socially responsible, creative leaders and managers who think on a global scale, regardless of the size of their organisation.

- To provide a lifelong return on investment for our students and alumni.²

Some features of this knowledge are worth drawing attention to. First, we might observe that ‘academic excellence’ is asserted to be the practice which underpins everything that takes place within this business school, though this has been qualified (with an insertion which was added several years after the original 2010 version of this statement) with the idea of making an ‘impact on society’. Quite apart from the political good sense of nodding to the UK government’s introduction of ‘impact’ as a measure of excellence in the current state audit of research, this insertion might also be taken to qualify the previous clause, and to suggest that the academic excellence which matters is that which has impact, and not that which is speculative or ivory tower. Further qualification is provided by the ‘vision’, which tells us that the institution is in competition with other ‘university-based business schools’ in Europe, and specifies that it is going to be the best one in the region. On what criteria is unclear, but we can probably assume that this will be measured by league tables and the like, because some sort of metric must be used if the term ‘leading’ is to have anything other than rhetorical force. The ‘mission’ section further qualifies the claim about competitive and impactful research, because it tells us who the customers are – ‘leaders’ and ‘managers’. These are people who think on a global scale, and who consequently require research that is up to date and amongst the best in the world in order to support their leadership and managing of organizations. The final sentence suggests a particular orientation to this knowledge, since it is articulated as an investment which will provide a return. That is to say, the customer will purchase the knowledge with their money and time, and it will repay them. It seems safe to assume that this return will be economic, given the tone of the rest of the text.

In a text like this, we find a particular understanding of the relationship between knowledge and students, an assumption about who those students are, an implication about the market that business schools trade in, and a series of qualifications which allow us to understand that research is excellent when it helps leaders and managers (and the order is significant) have an impact on the world. Perhaps we could read this statement as a series of claims about what the school does *not* do (which might be the only way to give it some distinctive meaning). Business schools do not teach knowledges or practices as an intrinsic good; do not teach workers, citizens, or activists; do not collaborate with other schools, and do not pursue research which helps workers, citizens, activists to have an impact on the world. If you want those forms of knowledge, go elsewhere.

The point of this rather extended textual torture is to underline the idea that there is a relationship between forms of knowing and the organizational structure of institutions. That is, the idea of the university as a timeless institution where certain liberal values are taught is evidently misleading because the contemporary university does not have one orientation to knowledge, but many. Probably the only generalization we can make is to say that it is a machine for generating divisions and distinctions, made concrete in the long walk from the physics department to the philosophy department, or the ramifications of the committee structure. As the anthropologist Mary Douglas has suggested, institutions can be treated like brains, structures that encourage certain forms of thinking whilst quietly making other connections difficult, unthinkable, even heretical.³ The mere fact that the business school is on the edge of campus, and has its own cafe, is itself a way for an institution to think. So is the fact that the last time I was there, Warwick Business School, on the ground floor of one of its clinically white atria, had a large etched plastic plaque on the wall which gratefully listed its corporate benefactors and wealthy donors.

A BIT OF HISTORY

In terms of the long history of the university, the business school is a recent invention, though even the University of Oxford has one now. Pretty much every university has one now. In 1996, Oxford's Saïd Business School was generously endowed by a financier and businessman who brokered the £43 billion Al Yamamah arms sales by the United Kingdom to Saudi Arabia in the 1980s.⁴ So even if universities have been around for a millennium (Bologna was founded in 1088), the vast majority of business schools only came into existence in the last century. Despite loud and continual claims to have been a US invention, the first is probably the École Supérieure de Commerce de Paris, founded in 1819 as a privately funded attempt to produce a 'Grand École' for business, and which was bought by the Paris Chamber of Commerce in 1869.⁵ The ESCP was established by the businessman Vital Roux, with help from the economist Jean-Baptiste Say, both advocates of the importance of unfettered free trade.

Roux himself was particularly interested in how citizens were to be trained in the arts of business, and in 1800 he published a book entitled *On the influence of government on the prosperity of commerce*.⁶ In his book, he explicitly suggested that French schools of commerce needed to be established and that, as their primary teaching method, they should engage in business simulations. One year later, J.-P. Boucher (a professor of law in Bordeaux) published a book on the organization of commercial institutions in which he also encouraged the state-sponsored development of business schools. The first chapter was titled 'On Business Schools and their methods of organization; the Educated and the Ignorant Merchants'. Despite the political complexities of post-Revolutionary and Napoleonic France, the growth of the mercantile classes, combined with a modernizing humour, meant

that the idea of a scientific form of education in commerce was here to stay. It was widely perceived that the ignorant merchants needed educating. In 1806, Boucher put forward a project for the establishment of a business school in Paris, and Roux wrote a report approving the proposal. However, despite wide circulation, neither the government nor the chambers of commerce were interested, and it took Roux another decade to persuade two wealthy silk merchants, Brodard and Legret, to eventually fund the *École Spéciale de Commerce et d'Industrie*, which opened with about sixty students. By 1828, the school had 104 students on its courses, and they were an international bunch, including students from England, Belgium, Switzerland, Prussia, Austria, Russia, Portugal, Spain, Italy, Greece, Africa and eight from America.⁷ The school taught economic liberalism, a form of thought which many imagined as necessarily attached to political liberalism, as well as subversive internationalism. As a result, police surveillance caused continual problems. An institution which now comfortably represents vested interests began as something of a challenge to post-Napoleonic nationalism.

All these early business schools were European – not American. The state-funded *Institut Supérieur de Commerce d'Anvers* and the Jesuit-funded *Institut Saint-Ignace École Spéciale de Commerce et d'Industrie* were both founded in 1855 in Antwerp. Two years later, Budapest Business School was founded, followed the next year by the Ca' Foscari University on the Grand Canal in Venice. Two more French schools followed in 1871, the Rouen Business School and ESC Le Havre. It's a little odd then that the dominant story is that North America invented the b-school, an account which probably has more to do with the language of those writing the histories of the institution over a century later.

The first US business school is usually considered to be the Wharton School of the University of Pennsylvania in the US, established in 1881. Joseph Wharton (1826–1909) was