Jun-1997

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Recommended Citation
Available at: http://vc.bridgew.edu/br_rev/vol16/iss1/7

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INTERNATIONALIZING BUSINESS EDUCATION

by D. Steven White

The internationalization of the U.S. economy is now evident. By internationalization, I mean a global framework that integrates the multinational and the cross-cultural dimensions of economic forces. Significant domestic business decisions have international implications; likewise, shifts in global markets affect American companies. The domestic-international distinction is blurring because of the emergence of a global perspective which assumes that the world economy is an integrated marketplace. The American collegiate business community, however, has been slow to respond to this new reality, and most efforts to internationalize business education have achieved limited success.

Against all logic, the international aspirations of business schools are not extraordinarily high. The primary strategy used to internationalize business education in the United States is "curriculum infusion," which integrates international topics and cross-cultural perspectives within an existing course structure and across a standing academic curriculum. Infusion is a status quo strategy. It does not require new courses, new faculty, structural changes, changes in class size, or deep faculty internationalization. The results, predictably, have been poor. The majority of business students at all educational levels receive little or no exposure to international business topics.

In this new economic age, a customer first orientation is a necessity. An irony is that American business schools today do not conform to the best practices that guide industry. In Out of the Crisis, W. Edwards Deming argues that only the customer can define a product's quality; thus the customer is the most important part of any production line. Business schools, however, have not translated Deming's insights to their own product development process. Customer involvement typically is an afterthought. It takes place just before or even after a curriculum is adopted, when it is too late. A process that ignores customers produces a low-quality product: witness the infusion approach used to internationalize business education.

The failure of the collegiate business community to integrate the voice of the customer into its curriculum-design process yields a mismatch between what graduates are trained to do and what employers need in practice. Harlan Cleveland, a former university president, argues that academe's structure discounts the world of practice. Inherent in universities is an institutional bias against involving "outsiders" in discussions of educational policy. Curriculum design is left to academicians within a narrow field, who end up talking primarily to other academicians within the same discipline. The teaching preferences and the research interests of a faculty are the primary forces shaping a curriculum. Given that no real world problem can be fitted into the jurisdiction of any single academic department, the emergent educational product enhances (or protects) the "insiders" instead of serving a professional community.

Lyman W. Porter and Lawrence E. McKibbin, authors of Management Education and Development: Drift or Thrust into the 21st Century, describe the conventional wisdom concerning an academic curriculum:

"The curriculum specifies what is taught to students and in what order or sequence. Thus, the curriculum provides the structure for the educational delivery system of an institution. If the faculty can be thought of as the "senders" and the students as the "receivers," then the curriculum, along with teaching can be considered an essential part (the structure) of the "transmission" process. The nature of the curriculum content and design, along with, of course, the abilities and qualifications of the faculty, therefore has a significant impact on the quality of education that students receive."

In this view, a curriculum organizes topics that the faculty has decided are important. The first step in the traditional curriculum design process is to ask faculty what subjects should be taught. Driven by faculty expertise, the curriculum is subject-centered and the transmission process is unidirectional. A subject-centered curriculum, though quick, easy and inexpensive to implement, is not customer-centered. Its most serious disadvantage is that it only appears to match instruction to the needs of a profession; subject-centered instruction obliges customers (and students) to fit the curriculum.

Designing an academic curriculum that is customer-centered cannot be accomplished without the input of external constituencies. Graduates of business schools are more successful when the outcomes of their educational process closely match the outcomes desired by the business community. If higher education is to help corporate America compete internationally, faculty must begin by understanding the kind of graduates these corporations need and the implications of such an understanding for curriculum development in their own institutions.

A recent survey conducted by Vera
Partner with the Business Community

It is becoming increasingly important for business schools to partner with the business community to insure the survival and success of both. Failure to do so leads to an incongruence between what business school graduates have the skills to do, and what employers need in practice. This incongruence, as it exists today, fosters allegations that business schools are out of touch with the business community.

To best serve the needs of regional businesses, regional comprehensive colleges such as Bridgewater State, must determine what companies expect students to know when they enter the workforce and design a customer-focused curriculum to satisfy those needs. This type of public-private cooperation is consistent with the college’s mission and would maximize the regional economic impact of the newly founded School of Management and Aviation Science to the benefit of all stakeholders.

S. Tamer Cavusgil, Director of the Center for International Business Education and Research at Michigan State University, has conceptualized the process of internationalizing business school curriculum as containing three components: inputs, value added process, and outputs. Table 1 presents the average aggregate response per category.

Two fundamental shifts in the status quo of business education are needed to address the changes brought about by the globalization of the world economy: first, business schools must solicit the input of their stakeholders in order to develop a curriculum that is responsive to needs of the community; and second, business schools need to develop interdisciplinary curricula.

| Table 1 |

<table>
<thead>
<tr>
<th>Weighted Average Response to Question 7 of the Vogelsang-Coombs Study</th>
</tr>
</thead>
</table>

Please indicate the relative value your company places on an employee with skills in the following areas (use percentages - total should equal 100):

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
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<tbody>
<tr>
<td>34.07%</td>
<td>Basic Business Skills in an International Context (e.g., international marketing, international accounting, international finance, banking, risk management, international trade theory and practice, total quality management, macro and micro economics, computer proficiency, etc.)</td>
</tr>
<tr>
<td>25.97%</td>
<td>Leadership and Human Relations Skills in an International Context (e.g., communication, corporate responsibility, systems thinking/problem solving, collaborative decision making, team work, negotiation/conflict resolution, theories of motivation, managing a diverse workforce)</td>
</tr>
<tr>
<td>21.87%</td>
<td>Cultural Adaptivity and Language Skills (e.g., study of history and contemporary scene of a country or region, knowledge of religious and cultural traditions of the country or region, appropriate foreign language proficiency)</td>
</tr>
<tr>
<td>18.09%</td>
<td>Comparative Business, Legal, and Political Skills (e.g., U.S. foreign economic policy, comparative state-market relations, comparative labor relations, comparative commercial law, international law, political, economic and financial treatment of U.S. corporations abroad, import/export regulations, technology transfer and licensing, comparative national treatment of foreign direct investment)</td>
</tr>
</tbody>
</table>

One must be cautioned, however, that internationalizing the business curriculum is not without its costs. Many schools intent on internationalizing find that they have to incur the requisite financial resources to do so. To assist business schools in determining whether or not to specialize in international business education, Cavusgil provides a checklist of items to consider before blindly embarking on the effort to do so. The checklist offers questions for each of the eight inputs identified. Post hoc interviews with business schools that have internationalized their curriculum overwhelmingly identify the importance of having a supportive, change-oriented, upper administration as a key element for the success of the program. Cavusgil’s checklist is presented in Table 3.

Interdisciplinary Curricula

American business leaders expect international business professionals to have a well rounded knowledge of international business operations, be fluent in a second language, understand the impact of various economic and political forces have upon business practices, and be culturally sensitive and empathetic. In other words, American businesses want business programs to produce graduates who are culturally and linguistically sophisticated. International business education therefore requires a mix of business and liberal arts disciplines, as illustrated by the findings of the Vogelsang-Coombs study, where up to two-thirds of the employee skills desired by employers fall outside the realm of traditional business education.

Therefore, an opportunity exists for colleges to develop interdisciplinary programs to meet the demand for well rounded, globally astute, business students.

The development of a successful international business program, one that incorporates a liberal arts perspective in its curriculum, sounds easy to accomplish, but to date has not been done successfully. One of the problems encountered is the need to reorient the content of social science, area studies, and language courses from traditional foci which
emphasize a cultural connoisseur perspective rather than emphasizing practitioner needs. Thus political science courses need to focus on the dimensions of government-business interaction rather than such topics as political parties, constitutional law, and political culture. Language instruction should emphasize learning business vocabulary and forms of business discourse and de-emphasize literature. Anthropology should deal with the impact of culture on various aspects of business operation rather than trying to give an overview of major social institutions in a country. From this perspective, the primary utility of liberal arts disciplines for a business education is learning the critical factors which influence local and regional markets for labor, money and consumer goods and employee behavior within corporate organizations.

As mentioned before, most business schools have taken a limited infusion approach to internationalizing their curricula. American business demands a much more comprehensive approach. Knowledge from the functional areas of business education (e.g., accounting, finance, management and marketing) must be integrated into a program which also involves area studies and language instruction. This approach requires that liberal arts and business faculties cooperate in the design of the curriculum. In the United States, the American Graduate School of International Management (more commonly known as Thunderbird in honor of the former U.S. Airforce base on which it stands) pioneered this approach after World War II. Approximately 20 other schools have adopted such an interdisciplinary curriculum. The extent of subject matter covered varies greatly. For instance, some programs require no language, while others vary in the level of fluency they require. The requirements for Thunderbird’s Master of International Management degree are presented in Table 4 to provide the reader with a glimpse of an integrated curriculum.
A review of these advanced international business programs leads one to conclude that almost all suffer from one of two problems. One group lacks a sufficiently extensive business education. Graduates are not required to take a broad range of technical business subjects, and they need not develop a specialization. At the graduate level, this type of institution accepts a considerable number of students lacking minimum business education and/or experience. As a result, the business curriculum begins at a lower level. Liberal arts faculty tend to have a greater influence over curriculum requirements, and they sometimes resist increasing the amount of business knowledge mandated. These institutions offer masters level curricula which take less than two academic years to complete. So, within this context the necessary time does not exist for concentration in a specialized area of business knowledge.

Within a second group, international business programs emphasize technical business subjects but lack a coherent and integrated approach to the liberal arts disciplines. At the masters level, such programs almost always require more than two academic years of course work because non-business instruction must be taken in addition to the traditional MBA program. With few exceptions, students enroll in their social science and language courses and engage in overseas experiences (only some of which are internships) during summer terms, so as to not interfere with their regular MBA courses. Very little attempt is made in their business courses to build on or integrate knowledge acquired in liberal arts courses. In most schools using this model, business faculty have very little sense of the content of liberal arts courses in their international business curriculum. Compounding the problem of integration, area studies and language faculty are free to pursue their own interests, which in many cases leads to focus on topics marginal to the context of international business. For instance, a number of schools in this group depend on language instruction which has little concern for business needs.

To offer the mix of international business and business-driven liberal arts courses desired by the business community calls for more than can be produced within the constraints of traditional business school programs. An opportunity exists for a college such as Bridgewater State to take the lead in bringing about the integration of business and liberal arts curricula for the benefit of its students and their future employers. The integrated international business curriculum should focus on creating an opportunity for students to develop: 1) a high level of international business expertise including a specialization, 2) a high level of linguistic proficiency, 3) an ability to function effectively on an overseas assignment, 4) a capacity for critical thinking about business problems, and 5) leadership skills.

Bridgewater State College is particularly well-suited to launch such a program for two reasons: first, the School of Management and Aviation Science is newly founded (as of January 1, 1997). Therefore the institutional walls that inevitably develop between different schools of a college have yet to be built on our campus. The building of these walls is a function of the perceived competition for scarce, and even more problematic, dwindling resources between the schools. Developing interdisciplinary programs produces benefits that may be shared across disciplines and thus proactively inhibits the building of barriers between the schools; and second, all of the schools within the college will be operating under the direction of new deans as of the Fall of 1997. Having all new deans is beneficial because it means that no one dean is more entrenched than the others. This, in and of itself, makes for a more favorable climate for launching cooperative interdisciplinary ventures.

Underlying the above critique of existing international business education programs is the belief that two basic changes are essential for upgrading international business education in the United States. First, the current disjunction between the needs of the American business community and American higher education must be surmounted. Particularly critical is that educators work in a context in which there is regular interaction with corporate leaders to determine the needs of the business community. Second, business and liberal arts faculty must cooperate in mobilizing their collective instructional capacities. Business faculty must begin to think of international business education as including a wide array of liberal arts topics. On the other hand, faculty in the social sciences must refocus their instruction to deal with their subjects in a way which facilitates analysis of business problems, and language faculty must make business communication a primary objective.

After World War II, the emergence of the United States as one of the two superpowers was accompanied by a surge of new area studies and international relations programs which educated the future leaders of government, private voluntary organizations and even international organizations. All were interdisciplinary and independent of traditional college structures. These programs (e.g., at Johns Hopkins, Tufts, Princeton and Columbia) combine economics, political science, international studies and international relations synergistically to train foreign service scholars and specialists from around the world. The internationalization of the United States economy requires a similar innovative response with regard to international business education.

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