



Are Business Schools Clueless or Evil?

The last decade has been a one of soul-searching for business schools worldwide. Since the collapse of Enron, through the financial crisis, to the insider trading and LIBOR scandals, the question just keeps recurring: How did those institutions of higher learning, whose claim is to develop business leaders, influence the conduct of leaders who let so many people down?

The public and the press are not alone in raising the question. The list includes the brightest stars in the firmament of management thinkers. Pfeffer, Goshal, Bennis, Mintzberg, Adler, Khurana, Starkey, Podolny, to name a few. Leading scholars, best-selling authors, deans. All agree that business schools share responsibility for the lapses of judgment and unfettered self-interest that wreaked havoc on the global economy and sank people's trust in corporations.

Where these notables disagree is in their judgment of whether the sin has been one of omission or one of commission.

The omission camp portrays business academia as clueless, a distracted caste moved by "physics envy" to churn out arcane research that bears little relevance to business in the real world. Condemned by its frenetic irrelevance to neglect its educational calling.

The commission camp goes further, casting business academia as a force for evil. A beacon of instrumentalism using its pulpit to proselytize an amoral view of the world, peddling theories that justify managers' selfish elitism, hinting that the value of values is merely to boost the bottom line.

These critiques have brought about some change. Most business schools have introduced mandatory ethics courses and revamped curricula to incorporate concerns about personal principles and social responsibility. But is that enough?

Hardly.

The root of the issue runs deeper than that. Business schools are neither clueless nor evil. They are — like most students that flock to their classrooms — in transition. Overtly working to improve their competence and image and covertly wrestling with questions about identity and purpose. Asking, "what should I do?" as a placeholder for the much harder question, "who am I?"

Many curricular innovations, like the critiques they

address, remain anchored to a traditional view of the business school as a knowledge hub whose function is to create and disseminate cutting-edge management theories and best practices.

That is still necessary — but it is no longer sufficient. Leaders are not made of knowledge and skills alone. It may have been enough for business schools to train students' minds and hands when other institutions — local communities, long-term employers — took care of hearts and souls. This division of labor, however, is disappearing fast.

A growing segment of the workforce no longer spends their careers in the same organization, city, or even country. These nomadic professionals have looser ties with local communities. Their relationships with employers are often instrumental, lasting as long as each side brings value to the other.

Business schools, my research suggests, serve a broader function in the lives of these men and women. They don't just give them tools to succeed in their jobs. They provide a field of dreams, and a tribe of sorts.

Within their walls, managers revisit their identities and aspirations. Strive to align what they can do with who they want to be. Refine their view of what it means to lead and whom they are meant to serve. Join communities that pressure, guide and support them long after classes break.

In short, business school courses serve as rites of passage — shaping the values, commitments, habits and mores of aspiring leaders. Let me be clear. I am not saying they should. I am saying that they already do. The questions are: how mindfully? How skillfully? On whose behalf?

"I agree with this broader view of business education," many a seasoned professor has told me, "but many of us don't see our job that way. After all, we are trained as social scientists and managers. We are more at ease with sharing evidence and dispensing advice than with leading change and

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assisting growth.”

In that we resemble our students, who usually get to leadership positions as a reward for mastery in a technical field — and often struggle until they realize that their role is not just bigger but altogether different, that succeeding will take not more effort but a shift in mindset.

Similarly, the recent criticism of business schools is not an invitation to do our usual work better — come up with new theories, add classes on trendy topics, repopulate the pantheon of guest speakers and case protagonists with role models who suit our times. Just changing the buzzwords, theories, heroes — and saying good luck with the rest — means assuring that everything remains the same.

The criticism is rather an exhortation to embrace our function as developers of leaders on behalf of organizations and society at large. Not only in marketing rhetoric but also in educational practice.

That means giving equal weight to instrumental and humanistic aims, rather than casting either as means for the other’s ends. Making the case for authenticity, service, equality, concern for the planet just as fervently as the case for shareholder value maximization. Balancing instruction and assisted reflection, on oneself and on the cultures we live in. Brokering new connections. Stimulating imagination.

Only when they become as good at strengthening purpose and communities as they are at boosting ability and ambition, will business schools fulfill the functions they’re called to play in this global day and hyper-mobile age. Giving managers the tools to do well at work and the presence to remember why they work, and for whom. Graduating leaders who are true to their heart, tied to their people and at home in the world.

This post originally appeared on HBR.org. I’d love it if you joined the discussion with your views [here](#).

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